Bargains in Preferred Stocks (Page 10)

THE FINANCIAL POST

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The Nation's Business

Reciprocity Again After Many Years
On Treaty's Terms Must Depend Public Judgment
King Policy to Seek Recovery by Trade
The Price of Newsprint
Workers and Wages Under Codes

Mr. King Carries the Ball Over

THIS is the football season and we will probably be pardoned if again we lapse into a football metaphor. Mr. King has scored a touchdown in the reciprocity treaty with the United States. To him will go the cheers of the crowds and the plaudits of the political writers.

In football it is the man who carries the ball who is the hero. But ahead of every major score there is a great deal of hard work by the line men who open a path for the ball carrier.

Mr. Bennett deserves much of the credit for the reciprocity treaty. He started the play and opened the gap in the Washington line. And Mr. King carried the ball over the line.

It was a good bit of team-work.

Of course, Mr. Roosevelt is in this football game too. Until the whistle blows and the final score is announced, we will not know who won the game.

In brief, accomplishing the negotiation of a U.S. trade treaty is one thing; getting a fair, economic treaty is another. Judgment on this one may well be reserved until its terms are known.

* * *

Recovery Through Trade

IN CLOSING up the United States treaty Mr. King has given another indication of what he regards as the road to both Recovery and Reform. In the current issue of Maclean's Magazine Grant Dexter interprets Mr. King's political philosophy. He says:

"Whatever else Mr. King may do, he will seek, chiefly, the improvement of trade. He has proved to his own satisfaction, if not to the satisfaction of third parties, that what the people want most is not the destruction of our economic system but a revival of trade and industry, this to be a prerequisite to 'permanent and far-reaching reform.' In a word, Mr. King believes that reform and recovery are two separate and distinct things. Recovery cannot be secured through reform, which much await recovery. Cost of reform must be paid out of larger earnings which will flow from recovery."

Trade is to produce Recovery; Recovery will make Reform possible. It is a concise enough political philosophy and one that is thoroughly sound.

* * *

WE MAY expect then that Mr. King will go on to larger trade arrangements with other countries. Next in line must be the British countries—the United Kingdom and the Dominions. Some of the Ottawa agreements will be expiring in little over a year and others have about two years additional to run. There will be an Imperial conference next year which will give Mr. King an opportunity to extend the present favorable preferential arrangement and further facilitate the exchange of goods and services between the British countries.

Bilateral trade agreements with foreign countries are also capable of extension.

There is a tendency for some proponents of lower tariffs to frown upon bilateral agreements as tending to canalize trade and therefore to make the general reduction of tariffs in the world more difficult. The objection is based upon the premise, which is not without validity, that trade is and must be a multilateral matter involving many countries.

The objections, however, should not be permitted to stand in the way of any trade agreements that Canada can effect, assuming the agreements are competently drafted and economically sound. If each nation waits for the others to cut tariffs there will never be any large-scale international trading again. It is better to make the start with bilateral agreements between friendly nations than to do nothing at all about economic nationalism.

* * *

Newsprint Prices and Other Prices

INVESTORS holding securities of the newsprint companies know that any attempt on the part of the industry to set up an artificial price standard beyond that warranted by general prices will inevitably lead

(Continued on page 2, col. 4)

GREAT LAKES COURT FIGHT "SURE THING"

Newsprint Industry May Submit Revised Bid For Assets

NEMAC ENDANGERED

Great Lakes Resignation Viewed With Alarm by Newsprint Men—Seeking Peace

Opposition in court to the Gefaell-Aldrich deal for assets of Great Lakes Paper Co., which was approved by bondholders on Oct. 15, is practically certain, The Financial Post understands.

A revised offer from the newsprint industry for the assets is likely to be suggested to the court as one alternative to approval of the Gefaell proposal.

Meanwhile, the resignation of National Trust Co., receiver and manager for Great Lakes Paper Co., from membership in the Newsprint Export Manufacturers Association is viewed with alarm in the newsprint industry.

Ontario's Attitude

If court approval is given to the Gefaell deal, active opposition to the plan by the Ontario government could readily run along lines followed in Quebec. It will be recalled that about a year ago the Quebec government increased stumpage dues on timber cut by St. Lawrence Paper Mills. It was a penalty for that newsprint firm's action in upsetting efforts to raise the price of newsprint.

There are other means by which Ontario could make it difficult for Great Lakes Paper Co. to carry out the Gefaell-Aldrich deal. It is accepted as official, however, that there will not be government interference with titles of Great Lakes Paper Co. to timber limits.

Great Lakes Prospect

The prospect facing Great Lakes Paper Co. is now something like this:

If court approval is given to the Gefaell-Aldrich deal, the Ontario government can "actively oppose" the plan so as to hamstring Great Lakes Paper Co.

If the deal is turned down by the court, bondholders may get a new offer from the newsprint industry; the company would remain in receivership in the meantime. Bondholders would still be able to lift the receivership by forming their own company which could become a crusading competitor for newsprint tonnage contracts.

The Gefaell transaction must be taken to the Supreme Court of Ontario for its approval by Dec. 15 next.

It is understood that opposition in court will come from bondholders who voted against the Gefaell-Aldrich deal at the meeting on Oct. 15.

Theme of Opponents

It is expected to be argued that the deal would hurt the Great Lakes firm in the long run by injuring the newsprint industry as a whole.

Opposition to the deal in court may also take the line that a desirable alternative is open to bondholders of Great Lakes Paper Co., The Post learns. The alternative to be suggested for consideration of the court is understood to be a revised offer by the newsprint industry as a whole for the assets of Great Lakes Paper Co.

Deal With Objections

It will be recalled that the offer of the newsprint industry, the Black-Sturgeon bid, drew objections from the bondholders' committee at the Oct. 15 meeting. The three main criticisms of the Black-Sturgeon offer were: first, that the offer of newsprint tonnage to Great Lakes Paper Co. might result in allotment to it of unprofitable business; second, that default of any one of the Black-Sturgeon bidding group would tie Great Lakes Paper Co. in knots indefinitely; third, that after 10 years Great Lakes would have no customers of its own.

The Financial Post is informed that consideration has been given to revision of the newsprint industry's offer so as to eliminate the grounds for all these objections. The aim, of course, is to suggest to the court that this alternative to the Gefaell-Aldrich offer has been

(Continued on page 2, col. 3)

Pact May be Factor In November Election

Agricultural Adjustment Act Major Obstacle to Treaty

From Our Own Correspondent

WASHINGTON. — Approval of President Roosevelt and ratification by the Dominion Cabinet of the Canadian-American Trade Agreement is a substantial triumph for Hon. W. D. Herridge, former Canadian Minister to the U. S.—except for one thing, Mr. Herridge couldn't get the American Administration to agree to it in time to save his brother-in-law's political scalp.

It is, of course, also a tribute to Mr. King that he accepted the work of Canada's former minister, regardless of political implications. Only a few items remained to be settled in the negotiations when the Dominion election intervened and Mr. Herridge subsequently resigned on the defeat of Mr. Bennett.

Among these are said to have been proposals to cut the American duty of $5 a gallon on Canadian rye whisky to $2.50, and to allow some mild reductions in duty against Canadian dairy products subject to the imposition of quotas.

Political Issue

Various interests in the United States are preparing to attack the agreement.

The Florida Agricultural Tariff Association is going into court to attack the act under which this and other trade agreements were made as an unconstitutional delegation of power by congress to the president.

The National Co-operative Milk Producers Federation will ask Congress to enact legislation forbidding import of any dairy products except for certified tuberculin tested cattle. Livestock associations are threatening to invoke the A.A.A. control programme for that industry which they have hitherto resisted in order to bring about the imposition of quotas against foreign imports.

In short, the agreement bids fair to become a chief political issue in the forthcoming American presidential election of November, 1936.

Trade is Growing

Of course, despite all barriers, trade between the U. S. and Canada is steadily growing again. Where American exports to Canada declined from their peak of $948 million in 1929 to one fourth of that amount or $211 million in 1933, they had climbed back to $302 million in 1934 and are registering further increases this year. Similarly where U. S. imports from Canada had dropped from their peak of $503 million in 1929 to $165 million in 1933, they came back to $231 million in 1934 and are further increasing in 1935. The figures are for U.S. customs returns.

A. A. A. Chief Obstacle

Deadly obstacle to the making of a substantial trade agreement, as Mr. Herridge found to his discomfort, was the American Agricultural Adjustment Act—the scheme of controlled agricultural production balanced against domestic consumption on an artificial price level maintained high above world prices by taxing the American consumer.

Mr. Herridge endeavored to meet that by inducing Mr. Bennett to propose a similar project of controlled production in Canada. That would have established another artificial agricultural price level within the ambit of the American circle. But the Canadian voters vetoed this.

On the other hand, its chief advocate in the U. S. Secretary of Agriculture Henry A. Wallace, has been eminently successful in holding sentiment, especially in the western states, behind the controlled production scheme, and in so doing, has become the most powerful political factor in the Roosevelt cabinet.

In short, what has been reached in the way of a trade agreement only

(Continued on page 2 col. 6)

U. S. Business Recovering Despite Fears and Checks

Residential Building and New Car Sales Worth Watching — Business Leaders Seen Swinging Against Roosevelt Administration

By KENNETH R. WILSON

NEW YORK.—Business and financial leaders here have a curious habit.

Ask them what they think of the business outlook and they pour out a tale of woe and damnification of Roosevelt and his New Deal.

But turn the conversation and ask them point blank how their own business is doing and invariably their tune changes abruptly.

They become all smiles.

They point to soaring sales, to small but encouraging profit margins.

Political Outlook

Political bias is, of course, a natural concomitant of any national election; particularly so of one held in the United States of America. It means that politics will be Public Topic No. 1 for the next twelve months until the last ballot has been cast on the evening of election day next November.

And while it is expected that traditionally—Republican New York will have little good to say about Roosevelt and his new deal, one is hardly prepared for the extreme, violent dislike which seems to exist among business leaders—and which, it is claimed, is shared by most other parts of the country.

This is apart, of course, from the belief that Roosevelt still has an important following among the rank and file of citizenry and is reputed to carry still a solid South and the agricultural West. But New York insists he has lost virtually all the support and backing he once had among leaders in business and financial circles across the country.

Breathing Spell

"How long will the Roosevelt 'breathing spell' last?" I asked many people here last week.

"There is no such thing as a Roosevelt 'breathing spell'," is the reply. "Roosevelt did not give business a breathing spell; it was the Supreme Court. He is trying to cash in on the improvement in business since the famous N. R. A. decision; trying to make people believe the improvement is due to him and that he has given them a breathing spell to continue that improvement. He is all wet."

Supreme Court

Needless to say, everyone is watching closely subsequent decisions of the court. There seem to be few who doubt but that these decisions (as in the utility case decided this week) will be generally unfavorable to the new deal. Fears are expressed though as to whether the decisions will be sufficiently clear-cut to be effective. The really important thing is to judge how far they will affect Roosevelt's popularity. There is a feeling that if sufficiently far-reaching they may prove the turning point in Roosevelt's career.

The wish may be father to the thought, of course, but there it is.

The really important thing that has happened in the United States in the last few months is the demonstration that recovery has been due to natural forces and not to so-called governmental pump priming and legislative hypodermics.

Home Building Boom

One factor supporting a bullish viewpoint on the future is the upward surge in residential building in the United States. Already of major proportions in volatile communities such as California and Florida, economic observers believe they see a real boom getting under way which may last for five years or more. They think this is one of the most potent factors in the business picture at the present time.

The Government has not actually put new money into housing plans apart from slum clearance schemes which have not been overly successful. The Government does, however guarantee building loans which enables them to be financed on a six per cent, 20-year basis. The face rate is five per cent but the higher figure is nearer to actual cost when all charges, fees, etc., have been included.

Motor Car Sales

Another indicator being watched very closely for the immediate outlook is the re-action of the public to new motor car offerings at New York last week.

Motor car makers have gambled millions of dollars on an early showing; have jacked up production to substantial levels in the belief that the public are now ready to buy motor cars on a scale far in excess of anything shown even in the excellent first ten months of 1935.

If they are correct, then another very important step toward recovery will have been made. For the moment then, all eyes are on the motorist watching to see whether or not he will "go" for the 1936 cars in a big way.

Underlying the optimistic feeling on the part of business men is fear among financial and banking officials of possible monetary madness once recovery gets really under-way. Some orthodox students of banking are reputedly pessimistic as to what will happen to credit, currency and monetary controls once a good business boom takes hold.

Major Moves Forecast In Cigarette World

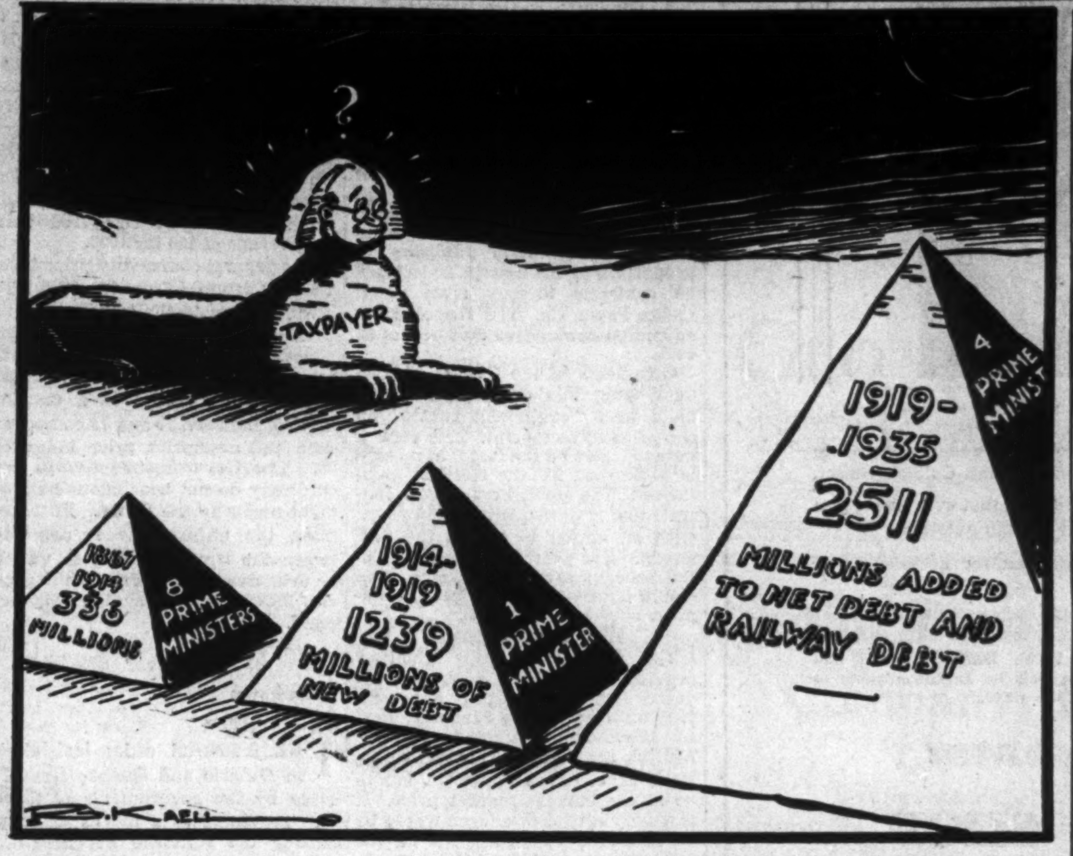
From Our Own Correspondent

MONTREAL.—Events here tend to confirm reports from Toronto that smoother days are being planned for the cigarette business. Whether or not the major moves contemplated will materialize remains to be seen.

Dealer antagonism against the cut-rate packages introduced by Macdonald's a few weeks ago (The Financial Post, Nov. 2 issue) is reported to have led to a series of meetings by Macdonald distributors and indirectly to the resignation of Walter M. Stewart, president and major stockholder of the company. It is believed that Mr. Stewart's successor will adopt a new policy more in sympathy with current feeling among dealers.

Major moves under consideration aim, according to the Toronto Mail & Empire, at "one of the most drastic changes in the history of the trade," namely the sale after Jan. 1, 1936, of only standard-sized packages. This would eliminate all specials or odd-sized packages such as the "24's" and "12's" recently offered by Macdonald's in Toronto and Montreal. It also aimed to restrict distribution of premium card "inserts" very drastically by limiting their redemption to playing cards only.

Whether these plans will materialize under the new presidency of the Macdonald company remains to be seen.


?
TAXPAYER
1867 1914 333 MILLIONS
8 PRIME MINISTERS
1914-1919 1239 MILLIONS OF NEW DEBT
1 PRIME MINISTER
1919-1935 2511 MILLIONS ADDED TO NET DEBT AND RAILWAY DEBT
4 PRIME MINIST

—Drawn for The Financial Post by R. Kaell.

. . . AND EVERY STONE A TEAR

WILL DISCUSS CAN. MALTING DIVIDEND RATE

Increased Payment Not Considered — Statement Coming

DOMESTIC SALES UP

Despite the substantial margin of earnings over dividend requirements an increase in dividends for shareholders of Canada Malting Co. has not been considered, The Financial Post is informed. It is expected, however, that some pronouncement on the subject will be made by A. C. Matthews, president of the company, at the annual meeting on Nov. 22.

Rumors of an increase in dividends have been prevalent in market circles as a result of the excellent earning position and improved domestic sales revealed by the company's annual report for the year ended July 31 last. At the 1934 meeting of shareholders Mr. Matthews stated that directors felt that no increase would be justified until domestic sales showed more stability and a higher ratio in proportion to a more or less uncertain export demand.

Domestic Sales Increase

In the year ended July 31 last, domestic sales showed substantial improvement, accounting for 63 per cent of the total as compared with 47 per cent in the previous year. This increase of sales in Canada is attributed to the new Ontario beer law. Any further increase, the annual report states, must depend on further improvement of business conditions.

In view of this increase and the substantial surplus of earnings over dividends during the past three years, it is felt in market circles that an increase in dividends or a bonus is indicated. The company has built up a substantial surplus account and has a strong working capital position.

Earnings Lower

For the year ended July 31 last the company reports slightly lower earnings. Net profit, however, was the second highest in the company's history, being equivalent to $2.86 per share. This compares with $3.12 per share in 1934 and $2 per share in 1933.

The decrease in earnings in the fiscal period just reported was expected and is attributable to lower export sales. Export business in the 1934 fiscal period was abnormally large. The shortage of domestic malt in the United States following the repeal of "prohibition" permitted extensive and profitable export from Canada. This enabled the company to dispose of an accumulated inventory which was not available in 1935. Production during the 1935 fiscal period was at capacity.

Although the volume of export sales decreased, nevertheless they played an important part in the resulting net earnings, according to Mr. Matthews. The margin of profit on export business was substantially higher in 1935 than in the previous year.

While export sales are at the present time being maintained, it is probable that a further decrease will be recorded, The Financial Post is informed. Export sales in the United States are meeting with stiff competition from domestic sources. During the past year the productive capacity of United States companies has been increased and this is likely to result in a falling off in demand for Canadian malt. There are also indications, The Financial Post is informed, that there will be a sharp drop in the United States price for malt.

For details of the company's financial statement see under Company Reports on page 12.

Lower Car Prices Already in Effect

Agreement has apparently been reached between importers of medium-priced cars and the federal government which will enable these importers to quote substantially lower prices for 1936 models than heretofore, The Financial Post learns.

On one leading make the new price being quoted this week is $230 lower than the corresponding price a year ago. The car now will retail at $1,400 in Canada. On another model the new price of $1,600 is about $560 less than the corresponding figure in 1935.

Car importers refuse to comment having been asked by the government to make no statement for the time being. The inference is that the new government has decided to allow lower valuations for duty purposes.

BEER COMPANIES GIVEN ULTIMATUM BY ONT. DECISION

Must "Bend Backwards" in Interpreting Liquor Laws

Brewing companies have been given official ultimatum that they must "bend backwards" in interpreting Ontario liquor laws.

Legal compliance is not enough. The commission will consider any connection direct or indirect an infraction of the intention of the law if it tends to tie up a hotel to products of one brewery company.

Nineteen Suspended

Beer and wine authorities of 19 hotels, 13 of them in Toronto, were suspended by Deputy Liquor Commissioner Arnold N. Smith on November 2.

Suspensions remained in force until November 11 when sale was resumed in 16 hotels when the commission satisfied itself that the hotel managements are no longer associated with the tied-hotel system.

All this furore began with the report of Liquor Commissioner Odette that the tied-hotel system does exist in Ontario. His investigations had been mainly into the affairs of Mohawk Investments which is the largest group and which therefore drew first attention.

Case of Mohawk

The case of Mohawk Investment Corp., formed in 1934, is much in the public eye. A former director of Brewing Corp. took charge of the company which bought 13 hotels. The company is undoubtedly friendly toward Brewing Corp. products, but officers claim that the chief Montreal brands and any other kinds for which there is a demand can be obtained at any hotel of theirs. They do not carry all brands, they say, but neither does any hotel.

Arnold M. Smith, deputy liquor commissioner, states that voluntary assurance has been given by Mohawk Investments that it will dispose of all its holdings of hotel company shares. The method of distribution is to turn shares of hotel companies over to shareholders of the hotel companies who have no discoverable interest in any brewery.

Once Was Legal

Before prohibition tie-ups between breweries and hotels were legal. Ever since freer sale was allowed, therefore, gossip has been that breweries are finding ways of controlling their outlets through deals with hotels.

The Financial Post went into the subject last summer. At that time executives of brewing companies and officers of the Liquor Control Board stated that the law was being observed.

The Post found out, however, that Mohawk Investments and other groups were getting control of hotels. It was apparent also that some of the chief interests in these bodies were interested in shares of brewing companies.

Highlights

Arrears of Dividends

Of 120 preferred stocks with arrears, only one-sixth making payments. Eight have hopeful outlook. Page 10

Whose Job is Relief?

After many trials, administration now largely in provincial hands. Uniformity lacking. Second in series. Page 13

Top Hat Farming

Gentleman farmers will make better showing at Winter Fair than on their investment in agriculture. Page 11

Reciprocity and Empire

No conflict between U. S. trade and preferences within British Commonwealth. Page 11

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Canadian Life Officers Meet November 22

Canadian Life Insurance Officers Association will hold its annual meeting at Toronto on November 22. President Ford S. Kumpf of Dominion Life will be in the chair. Assisting will be vice-president A. H. Beaton of the National Life and V. R. Smith of the Confederation.

The meeting will be largely routine but will feature the change-over recently announced whereby R. Leighton Foster became general counsel of the association on the retirement of the secreary-treasurer, John Appleton. Final arrangements for the main speaker have not yet been completed.

It seems likely that Mr. Beaton will become the new president of the association.

Nfld. Codfish Industry Subject of Investigation

Hon. Mr. Justice Kent has been appointed chairman of a commission of enquiry into the Newfoundland codfish industry. Announcement of the two other members of the committee is expected shortly.

CAN. WINERIES EARNS DIVIDEND MAY NOT PAY IT

Profits Will be Applied to Reducing Bank Loans

CAMPAIGN IN U. S.

Sales Push from Lewiston Plant Gets Initial Results — Canadian Sales Lower

Canadian Wineries may not pay its semi-annual dividend of 10 cents a share at the end of this year

This is probably the explanation of why the stock fell from a high of 6 to 2 and is now selling at around 3½. In 1934 the company was able to pay a bonus of 5 cents a share, or 25 cents a share in all. This year the majority of the board is understood to favor complete payment of bank loans before dividends are resumed.

The company is understood to have earned its semi-annual dividend of 10 cents a share in the six months ended Oct. 31, 1935. It would like however, to reduce bank loan of $100,000 shown April 30, 1935, as having been made on account of the plant at Lewiston, N.Y. It is desired as well to keep the liquid position strong until the full scope of the United States venture is evident.

U. S. Sales Encouraging

Canadian Wineries executives claim the Lewiston plant to be most modern. It draws grapes from the Finger Lakes section of New York State, which is the American home of champagne grapes. It began marketing its products last May in the United States.

Sales during the summer were largely introductory, but the company has within the last three weeks swung into active cultivation of its market with large-scale advertising.

In the United States market the company is able to apply ordinary merchandising methods. It can tell the trade and the consumer the story of its products. The ban on liquor advertising in Ontario closes its mouth concerning its products on the Canadian side. The results of advertising to date in the United States are stated to be encouraging.

Actual sales of wine have been lower in Canada because of freer sale in Ontario of ale, beer and whisky and lower prices for these competing products. The wine makers claim their product is improving yearly in quality, however, and hope for a change in trend.

Prospects Improve

The United States venture is a crucial point in the company's development. The stock market has been hoping it would go over in a big way but now is in a hesitating phase until actual results are shown.

In the last five years the company has managed out of earnings to pay dividends and get rid of a lot of obsolete and over-valued equipment as well as bad wine then in stock. Executives state that the company is now in better shape than ever before. It has adequate stocks of sound wine, it has improved equipment, and more experienced personnel. Five years ago those on the inside wondered if it would survive at all.

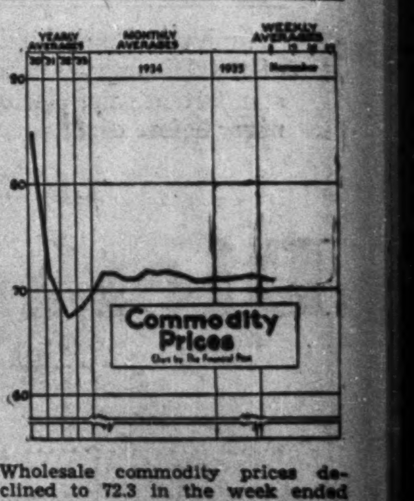
Fall Business Mostly Higher

Gold, newsprint, petroleum, natural gas, boot and shoe production, and bond sales all record good gains compared with the same month a year ago, The Post weekly statistical summary shows.

Most of the figures, however, are for September operations—the fag end data which is proverbially late in arriving.

		—Change— From Prev. Period %	From Prev. Year %
Monthly:	October		
Newsprint prod., tons	266,515	+18	+13
Bond sales	$65,415,900	—66	+75
	September		
Boots & shoes, pairs	1,962,451	—8	+16
Silver prod. Can. oz.	*1,585,144	+36	—12
Lead prod. Can. oz.	*26,470,373	—9	—12
Zinc prod. Can. lb.	*28,837,006	+4	—3
Gold prod. oz.	280,362	—2	+14
Petroleum prod. bbls.	123,918	+5	+7
Natural gas. prod. M. cu. ft.	1,070,777	+15	—14
Weekly:			
Car loadings, No.	52,094	—1	+0.2
Cattle sales No.	25,681	—16	+16

*August.



Wholesale commodity prices declined to 72.3 in the week ended Nov. 8 from 72.4 in the preceding week, according to the index compiled by the Dominion Bureau of Statistics.

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At the Royal Winter Fair

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GREAT LAKES COURT FIGHT "SURE THING"

(Continued from page 1)

purged so as to make it satisfactory to bondholders.

Cause of Alarums

The Gefaell-Aldrich offer consists of a deal to take American publishers into partnership in Great Lakes Paper Co. for at least 10, possibly 15 years. One feature is viewed as particularly dangerous by representatives of the Newsprint Export Manufacturers' Association of Canada. Objection is also taken to this feature by some holders of Great Lakes Paper Co. bonds who see in it a threat to their already depreciated investments in other newsprint firms.

This feature is issuance of 100,000 class B preference shares to representatives of the American publishers. Only consideration given for the shares is newsprint tonnage contracts. This stock would be held for the benefit of each publisher in proportion to the newsprint tonnage he contracts to buy from Great Lakes Paper Co. The shares carry an annual cumulative dividend of $2 each.

Opponents of the Gefaell-Aldrich deal view this dividend arrangement as a "contingent rebate" on the price of newsprint. This view is based largely on the fact that no cash is to be paid for the stock by publishers. The publishers would contract to buy newsprint over 10 years, with an option to extend the deal another five years. So opponents of the scheme say the dividend plan would undermine the price of newsprint over a long period.

Why of Nervousness

The reason that this dividend provision alarms the newsprint industry is not superficially apparent. It is outlined to The Financial Post as this: The proposed Gefaell-Aldrich contracts to buy newsprint from Great Lakes Paper Co. are to be at the current market price. It is widely agreed that there would be no dividend to publishers at the present price of $40 a ton for newsprint; nor at the new price of $41 a ton. Suppose, however, the price of newsprint were to rise to say $50 a ton three years hence. Then it would be likely that publishers would draw dividends from Great Lakes Paper Co. in precise proportion to the amount of paper bought from the company.

The dividends would have the effect of reducing the publishers' net cost of paper. It is argued that the dividend becomes, in effect, a rebate. So, it is claimed, the price of newsprint obtained by the industry as a whole would be forced down to the net figure paid by the Gefaell-Aldrich group. This would then become the current market price. So Great Lakes Paper Co. would have to bring its price down to the reduced level. And so on in a vicious spiral.

Committee's View

The view that grave danger of a virtual rebate exists in the Gefaell-Aldrich scheme was contested by Rt. Hon. Arthur Meighen, chairman of the bondholders' committee, at the meeting on Oct. 15.

Great Lakes Withdrawal Danger to Newsprint Body

From Our Own Correspondent

MONTREAL.—Great Lakes Paper Co.'s independence of the Newsprint Export Manufacturers' Association of Canada is effective from Nov. 14, but at the time of going to press there was a possibility that a reconciliation would be reached. Failing this a serious situation may develop for the newsprint industry.

Under the terms of association, the manufacturers are free to act independently when Great Lakes resignation becomes effective. And if Great Lakes follows out its proposed intention of securing tonnage on terms of its own making, other operators may find it necessary to protect their contracts with or without the assistance of Nemac.

Bad Spirit Develops

Unfortunately the reorganization of Great Lakes Paper has developed along lines which has recreated the acrimonious spirit which was common to the industry before events forced the operators to act together for their own salvation.

There was nothing in the early plans of reorganization for Great Lakes to indicate later developments. The assets and undertaking of the company were put up for sale by the National Trust Co., as trustee and manager for the bondholders. Four offers were submitted, that known as the Gefaell-Aldrich plan being favored by the bondholders protective committee under the chairmanship of the Rt. Hon. Arthur Meighan.

Vote and Opposition

The bondholders committee considered the whole matter and decided in favor of the Gefaell plan. The scheme was put to a vote and the majority of bonds represented at the legally constituted meeting were in favor of accepting the plan. Nearly 40 per cent of the $10,000,000 bond issue, however, was not represented at the meeting, and did not vote.

Upon acceptance by the bondholders of the Gefaell plan, representatives of the newsprint industry took steps to put before the Ontario government their reasons for objecting to the scheme. The government agreed with the representations made and informed the receiver and manager of Great Lakes, National Trust Co., that it was opposed to the Gefaell plan or any similar plan.

Motives Are Misconstrued

The allegation that the industry encouraged the Ontario government to repudiate the leases was so publicized that it obscured the real state of affairs. In order to clear up the situation Charles Vining, president of Nemac, addressed an open letter to the National Trust Co. After pointing out that the company's general manager, J. M. Macdonnell, and its counsel, F. R. MacKelcan, believed that in opposing the Gefaell offer, representatives of the industry had urged the Ontario Government to cancel or suspend timber limits now held by Great Lakes, Vining went on to say:

"Such a statement seems too preposterous to be credible but it appears to have been accepted by your officials and, therefore, on behalf of those who have represented the industry in recent discussions, I wish to deny it with all possible emphasis. It has not the slightest foundation. At no time, nor in any form, have the representatives of the industry suggested to the Ontario government or to anyone else that the timber leases of Great Lakes Paper Co. should be cancelled, or that any other legal rights of the Great Lakes bondholders should be restricted or abrogated. On the contrary, the sanctity of legal rights under timber limits is recognized by the industry as fundamental to its existence. For the industry to suggest or countenance repudiation of such rights would be a policy of self-destruction."

Heenan Backs Industry

This resumé of the industry's attitude is substantiated by Hon. Peter Heenan, Minister of Lands and Forests, who has stated that although the Ontario Government is "actively opposed" to the Gefaell plan for Great Lakes, it has not considered cancellation of any legal rights to timber supply.

Receiver Resigns from Nemac

Last week-end the National Trust Co., as receiver and manager of Great Lakes Paper, withdrew from Nemac. The reason for this withdrawal was set forth in the letter of resignation as follows:

"Meantime the carrying out of the wishes of the majority of the bondholders voting as above mentioned is being opposed by the Newsprint Export Manufacturers' Association of Canada. In order to prevent the possibility of the Great Lakes receivership being put in the position of contributing to the expense of this opposition, National Trust Company, Limited, as receiver and manager, with the authorization of the court, has resigned from the association, of which it has been a member until the 7th instant."

A reconciliation of the conflicting interests may be effected this week. If not and the National Trust Co., as receiver and manager of Great Lakes, goes out into the open market after business along the lines set forth in the favored Gefaell plan, the consequences are likely to jeopardize the welfare of all concerned.

If the proposed independent sales policy of Great Lakes takes the form of a drive for additional tonnage, it is only reasonable to assume that Nemac will withdraw present assistance and its members oppose the receivers' plans.

Such a development would not be welcomed by the industry and it is believed that the remaining members of Nemac are willing to continue helping Great Lakes with tonnage if the company will adhere to the common policy.

Time for Reconciliation

The feeling between those responsible for the welfare of Great Lakes and the balance of the industry at present is strained so that very little pressure is needed to create an open break and the start of a price war.

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ATLANTIC CITY

The Nation's Business

(Continued on page 2, col. 1)

to a repetition of the disastrous price troubles of the past few years. Accordingly a recent statement of the Toronto Globe to the effect that newsprint prices are higher now than they should be, considering general price levels, is not only making it more difficult for the industry to re-establish itself, but misleads the many thousands of investors who have been led to believe that the rehabilitation work now going on is on a permanent basis.

Taking the price of newsprint at the mill in 1926 as equalling 100, the government report on commodity prices shows that the index figure has dropped to 53 in 1934 and 1935. On the basis of the recent $1 a ton increase for 1936, the index will stand at about 54 compared with the average of 100 for 1926.

The general commodity price level also has dropped from the 1926 base level, but not to the same extent as newsprint. Until 1932 the index for newsprint and general commodities moved in line. Since then the latter index has recovered to a current level of between 72 and 73 compared with the newsprint price index of 53. The Government's figures accordingly do not bear out the statement made by the Globe. Furthermore the unfavorable spread between the two price indices would be even more pronounced if the general index did not include newsprint itself.

• • •

Workers and Wages

THE industrial codes legislation in Ontario and Quebec was offered by the governments of those two provinces as a means of combatting the activities of chiselling employers. It was pointed out that a small minority of anti-social employers could exploit depression-weary workers and that, to meet such competition, honest employers had to reduce wages below the levels they considered fair. So industrial codes were provided to enable the majority of employers and employees in an industry to protect themselves against the selfish few.

Unfortunately the codes are being used for purposes other than to attain this desirable original objective. There is, under them, just as under the N.R.A. codes, an effort to effect a general horizontal increase in wages.

• • •

IT is not in the interests of workers themselves or of other classes of producers in the country that there should today be a general tendency to wage increases except where justified by improving trade and larger profits.

The income return of farmers and primary producers has improved very little from the distressing levels of the mid-depression era. Such producers who are the backbone of the Canadian economy cannot afford to pay the cost of higher industrial wage rates at this time.

Hourly rates of wages can be increased but hourly rates of wages are not as important as the yearly earnings of workers and what those yearly earnings will buy.

To the extent that increasing of wages restricts opportunities for employment the workers themselves will suffer. To the extent that they reduce the buying power of farmers and others of the consuming public the farmers and consumers will share the loss.

• • •

THE pressing need today in Canada is to take 1,000,000 people off the relief rolls. They can be taken off the relief rolls only as breadwinners are provided with jobs. Men and women cannot be provided with jobs by raising wages above the level at which the worker can sell the only thing he has to sell, which is his labor.

Already in the building trades the increase in hourly rates of pay has put a stop to much building that was going on or planned. Money that might have been paid out in wages is not being paid out. Workers who might be earning incomes for themselves are living on the dole. People who might be living in better homes are crowding in old homes. And stimulus that might come to recovery is lacking.

Codes are holding back prosperity in Canada just as they did in the United States. And it is prosperity the worker wants, not a wage "increase" that shortens his chances for full-time employment.

MAPLE LEAF MILL DEFICIT HIGHER TOTALS $388,318

Earnings Affected by Adverse Conditions in Milling Trade

Sharply lower net earnings and increased deficit in working capital account feature the annual report of Maple Leaf Milling and its wholly-owned subsidiaries for the year ended July 31 last.

Adverse conditions in the milling trade and financial difficulties arising from shortage in working capital resulted in the company reporting its worst year since 1930. Net earnings from operations, before depreciation and bond interest, amounted to only $193,885 as compared with $363,340 in the previous year.

With wheat prices in Canada during the year at a higher level than in Liverpool the company's export trade suffered severely. Exports of flour from Canada during the year were lower than any year since the war, C. W. Band, vice-president, states. As a result of the low volume of exports, competitive conditions in the domestic market were extremely severe, the company being forced to meet considerable price-cutting.

Class A Shares Issued

Part of the net loss of $388,318 was met through the issuance of class A shares in accordance with the provisions of the reorganization scheme. Six months bond interest amounting to $129,759 and bank interest totalling $89,227 were met in this manner. The net loss before charging interest not payable in cash was $169,332.

In accordance with the reorganization scheme passed in November, 1934, the rate of interest on the company's bonds was reduced to 5½ per cent. Half of this is payable by the issuance of class A shares until 1938. This means that the company has to earn 2½ per cent on the bonds if working capital deficiency is not to be increased. In the year just reported the company, after allowing depreciation, failed to earn interest even at this reduced rate.

The year ended July 31 last saw a reduction in contingent liabilities, the item in this category being the company's guarantee of quarterly dividends of Eastern Bakeries Ltd. to the extent of $13,000 per annum. During the year the company made a settlement of a claim in connection with power and an agreement for purchase of shares of Canadian Bakeries Ltd., a controlled company, which were shown in last year's balance sheet as contingent liabilities.

Reductions in cash on hand, receivables, advances to controlled companies and inventories are shown by the balance sheet. Accounts payable and current bank advances are also reduced, the latter being $310,000 lower.

For details of financial statement see under company reports on page 12.

PACT MAY BE FACTOR IN NOVEMBER ELECTION

(Continued from page 1)

nibbles around the edges of tariffs and artificial imposts. Mr. Herridge had been working assiduously at this nibbling, and Mr. King began where Mr. Herridge left off.

A brief summary of some of the main items under discussion in the pact follows:

Lumber

Chief among U. S. proposals wrung by Mr. Herridge from the negotiations, embraced lowering of the combined U. S. tariff of $1 and excise tax of $3 per 1,000 feet or $4 in all on Canadian lumber to 50 cents and $1.50 respectively or a total of $2—a one-half cut.

In return, the Canadian negotiators are said to have agreed to cut the present Canadian 25 per cent tax on American dressed hardwoods, amounting to between $7 and $8 per 1,000 board feet, to the level of the American reduction.

The importance of the lumber concession can be seen in comparison of the import and export figures for 1929—a peak year—and 1933—the low point. Total exports of U. S. lumber and wood manufactures to Canada in 1929 were $24,464,425. This volume shrunk 86 per cent to $3,517,919 in 1933. In the same period, American imports of Canadian lumber and wood manufactures shrunk from $58,981,559 in 1929 to $13,955,409 in 1933, a 76 per cent decrease. But the lumber trade difficulties are much easier of solution than the agricultural.

Cattle

Due to decimation of U. S. herds due to the great drought of 1934 and despite the almost prohibitory Smoot-Hawley tariff, Canadian cattle imports to the U.S. have grown rapidly early in 1935.

But this export in the face of a three-cents-per-pound tariff could never be considered to be more than temporary. Only near cattle famine conditions in the States with sky-rocketing prices from December, 1934 to mid-summer of 1935 permitted the export.

Quota of 200,000 Head

The U. S. duty has been 3 cents a pound on cattle over 700 pounds and 2½ cents on lightweights under 700, chiefly feeders and stockers. The chief dispute has been over the fixing of a quota which the Canadian negotiators wanted fixed at least at the 1929 peak of 250,000.

Would Revive Trade

Granted that this is done it would simply mean that cattle would be exported straight from the ranges and other pastures of Canada in the fall instead of being finished as at present. There might be some disappointment and probably temporary loss suffered by those farmers who have greatly expanded their cattle feeding operations this winter in anticipation of another revival of exports of finished cattle next spring. In the long run, however, it would be a big stimulant to cattle breeding all through the Dominion.

It would probably spell the end of large cattle exports to Great Britain. These, however, seldom assumed great importance in recent years except 1933 when as a result of the virtual closing of the U. S. outlet Atlantic shipments rose to 50,000 head.

Agricultural Produce

The concessions which Canadians sought on milk, cream, cheese and all dairy products, on hogs, pork, ham and bacon, on potatoes, rye, barley, coarse grains and other agricultural products ran up against a stone wall—Mr. Wallace's A. A. A. It is highly significant that in the conversations with Mr. King, Mr. Wallace was one of those summoned to participate. He is an outspoken individual and American newspapermen are thoroughly familiar with his position—that no foreign agricultural products can be admitted in any quantity which would materially interfere with the A.A.A. adjustment programmes.

Canada's Concessions

On the other side of the fence the United States was especially anxious to enlarge Canadian purchasing of winter vegetables and citrus fruits to quell the outcry of Florida and Texas growers against invasion of their markets by Cuban producers under the recent reciprocal trade agreement concluded between the U. S. and Cuba.

But chief discussion has been on some 700 or 800 items of manufacture now entering under the general tariff. Intermediate schedules would allow entry at an average reduction of about 2½ per cent.

Canada's arbitrary valuation policies were also an obvious point of attack from U.S. industrialists and exporters. The American exporters say they expected Canada to give empire countries a preference but demanded removal of prohibitive orders-in-council against their products.

U. S. Fruits

Americans objected particularly to the arbitrary valuations and dump duties against their fruit. They cite specific examples where the Canadian tariff, arbitrary valuation, dump and exchange duties, excise and sales tax raised the imposts against apples from Washington state to a total of 89 per cent advalorem.

Beginning last April, for instance, during the American early fresh fruit and vegetable season, before similar Canadian products were on the market, under the order-in-council allowing up to 5 cents per pound additional valuation to be imposed over the true invoice value of fruits and vegetables, there was imposed against American vegetables these additions to the duty and all other charges; 3 cents extra a pound on tomatoes, 2½ cents on green peas, 2 cents on strawberries, 4 cents on cauliflower, 2½ cents on cabbage, 1¼ cents on spinach, 1 cent on lettuce, 3½ cents on cucumbers, 5 cents on radishes and 3½ cents on asparagus. These kind of imposts, it is understood, Mr King has agreed shall be wiped out entirely; indeed, it is said that the negotiators under Mr. Herridge's direction had agreed to this prior to the election conditional on getting the American signature to an agreement—which they failed to get.

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Complete Overhauling Canada's Ocean Ports Is Proceeding Rapidly

Administration to be Placed Under Civil Service and Direct Ottawa Control — See Up to Hundred Millions Lopped Off Indebtedness

From Our Own Correspondent

OTTAWA. — Complete reorganization of Canada's leading ocean ports is proceeding rapidly. Daily conferences are taking place between the new minister of railways, canals and marine, Hon. Clarence Howe, and harbor experts.

Recent dismissal of the personnel of the seven main ocean harbor commissions administering these ports was but the preliminary move to a brand new set-up, and, as events are now showing, the easiest one to achieve.

In the near future, it is believed, these ports will be placed under the civil service and will be operated direct from Ottawa.

By and large from $75 to $100 millions of debt, incurred on behalf of these ports, will be written off and placed squarely on the backs of the taxpayers. The net debt of the Dominion will faithfully record the shock; so, in all probability, will the taxes.

The condition of affairs which has permitted this condition to develop will now be remedied, but no party and no government of the past can escape censure for what has occurred. In future, the ports will be administered from Ottawa by officials of the civil service, and one phase of political pork barrel operations will be ended.

Administration of Canada's ports is now to be controlled from Ottawa with local managers at each port. The great capital debt now resting on these ports will have to be revamped and much of it, unquestionably, will be written into the net debt of the Dominion. Past excesses political and otherwise, will now be faced.

And having faced this situation, the ports will be freed from the shackles of political inefficiency and waste; there will undoubtedly be important reductions in port dues; and every effort will be made to start administration on a sound basis which will protect taxpayers from future raids.

Looking at the records as revealed in a score or more of items scattered through the public accounts, it is plain that Canada's leading ocean ports have cost the country in direct expenditures and guaranteed loans to commissions more than $180 millions. This item breaks down as follows:

Non-active loans (upon which commissions are unable to pay interest and principal) $53,532,150.

Active loans, upon which interest is paid, $81,321,732.

The balance is made up of ordinary public grants, given in aid of public works at these ports, and small items

Costly Pork Barrels

Before detailing these expenditures and pointing out the probable course which will be followed in the reorganization now under way, it is of interest to recall that most of the excesses of the past have been attributable directly to political interference. Harbor Commissionerships have gone, in the main, to the party faithful and the practice has been to use them largely for patronage purposes. In this regard, the facts are not open to question. Detail for each harbor could be given, if space permitted, but the matter was summed up concisely by Sir Alexander Gibb in his survey of national ports of 1932. He said:

"It is clear that the system (harbor commissions) had in it from the outset the germs of very serious weaknesses. I feel inclined in this connection to quote from a speech made in the Commons against the Montreal Harbor Commission bill of 1906—'these appointees to the Harbor Commission become practically political agents under the government. You may say that they are permanent appointees, but they are appointed by the government. What will be the qualifications of those parties to be selected? I am afraid we will find, as we have found in various other appointments, that the qualifications will be that they are politicians first and politicians all the time. I am afraid this will be their qualification for fitness, not such qualifications as an ordinary business man would require if he were selecting men to do certain lines of work.'

Montreal Losses

The consequences, as viewed today, are abundantly apparent. Expenditures on the port of Montreal, for example, exceed $60 millions. There are active loans of $58,422,000. There are public works expenditures, a free gift to the port, of $1,060,343 and there is the annual interest payment on the south shore bridge.

Sir Alexander valued the investment at the port at $53 millions. But, more important, he declared that the valuation upon which the port should be required in future to pay interest should not exceed $40 millions. The taxpayers, therefore, will have to accept a clear loss, on Montreal's account, approaching $18 millions.

Quebec Case Worse

The case of Quebec is much worse. Public works expenditures, not charged against the port, run to $9,413,265. Then there are the guaranteed loans to the old commission, which are distinctly non-active, of $26,257,010. The Gibb report which will probably be followed calmly recommends that the whole of this capital debt be written off the port (it will inevitably go into the national net debt) and that in future the port be required to provide $300,000 per year for depreciation and improvements.

Maritimes

Saint John has received $19,123,761 by way of gift from Parliament to pay for public works. In addition there are non-active loans of $12,531,103 and a small item of $217,345 representing arrears by the port in principal and interest on guaranteed debt. This debt is branded by the Gibb survey as impossible. Some $22 millions of debt, being the $12,531,103 plus expenditures on uncompleted work, must be written off and the port asked to do nothing more than find $250,000 per year for depreciation and improvements.

Halifax is no whit better except that the outlays have not been so large. Some $13 millions has been spent on public works and another $8.7 millions has been loaned to the harbor commission. The loan is non-active and the Gibb survey would write off present debt and leave the port with no charges to meet other than repairs, maintenance and a sinking fund.

Vancouver Better

At Vancouver there are active loans of $22,625,199 and public works outlays running to $3.6 millions. Vancouver has been better managed than the other ports. The loans are still active and there is a sinking fund of sorts. The Gibb survey would write the capitalization down to $15 millions and thus enable the port to reduce shipping charges and get more business.

Vancouver Objects

From Our Own Correspondent

VANCOUVER.—Abolition of politically appointed harbor boards, as ordered by the Mackenzie King government, is a good thing for Canada, but their replacement by direct control from Ottawa is not much of an improvement, especially in the case of Vancouver, business interests here believe.

Vancouver shipping men feel that Ottawa is too far away from the Pacific coast to undertake management of affairs here satisfactorily. Much better, they contend, would be harbor rule by a home organization—a port authority such as London and New York now possess.

Harbor Bonds

Unguaranteed Securities of Harbor Commissions Viewed as Dominion's Responsibility

Bonds of the various harbor commissions of Canada, which are to be merged in a national board, have peculiar differences in characteristics.

Of the eight harbor commissions for national sea and river ports, two have no bonds in the hands of the investing public. Two have only Dominion-guaranteed issues outstanding. Four have issues of their own in the public's hands. In these four cases, the bonds are not guaranteed by the Dominion Government. Ottawa officially takes no responsibility for payment of interest and principal of the debt. Actually, these unguaranteed bonds are looked upon as contingent or guaranteed liabilities of the Dominion.

Change in Administration

In view of the King Government's intention of following the recommendation of the report of Sir Alexander Gibb—by placing administration of national ports under a central board—responsibility for the harbor commission's bonds appears to be more clearly placed upon the Government. Still, official Ottawa would say it does not guarantee many of the harbor bonds.

Examination of the individual harbor commission bonds issues reveals the peculiarities of some of them. They are summarized as follows:

Chicoutimi Harbor Commission—Has no bonds in the hands of the public.

Vancouver Harbor Commission—No debentures issued to the public.

New Westminster Harbor Commission—Has $700,000 of 4¾ per cent bonds, due 1948, in the hands of the public. Principal and interest are guaranteed by the Dominion.

Montreal Harbor Commission—Only issue of the commission in the hands of the public is $19,000,000 of five per cent bonds, due 1969, issued to pay for construction of the Jacques Cartier bridge. These are callable after Nov. 1, 1949. Principal and interest are guaranteed by the Dominion.

Three Rivers Harbor Commission—Only has two small issues in the hands of the public. These are $158,400 of 5½ per cent bonds due 1944 and $303,000 of three per cent bonds due 1937. These are not officially guaranteed by the Dominion, but are viewed as a government responsibility, and the commission's revenue covers charges. The bonds are being redeemed by sinking fund.

Quebec Harbor Commission—There is $800,000 of four per cent debentures in the public's hands. Half of the amount is due in 1938, half in 1941. These are not guaranteed but are considered the responsibility of the Dominion.

Halifax Harbor Commission—Has three per cent bonds, $1,700,000 due 1938, and $964,338 due in 1937, in the hands of the public. These are not guaranteed. Like other harbor commission debentures, however, they are issued with the legal authority of the Dominion Government and are considered the near-equivalent of guaranteed bonds. The larger issue was made to purchase the Nova Scotia Public Cold Storage properties. The bonds were issued to the storage company's bondholders. The 1937 bonds have been issued to contractors for construction of transit sheds on pier B.

No Default on Record

The bonds are direct obligations of the commission. There is no record of any default of principal or interest on any harbor commission bond, such as these, legally issued with the Dominion's authorization. There has been no default in meeting principal maturities. Still, they are not guaranteed, and sell at a discount from par, despite the short term of the issues. This gives the investor an opportunity to obtain a short-term security yielding about four per cent, whereas government "shorts" yield less than three per cent.

Saint John Harbor Commission—Has three kinds of debenture debt to the public. It all started in 1927 when the commission acquired from the City of Saint John, for $2,135,118, various harbor properties developed by the city. In payment, the commission assumed the city's harbor development debt. The commission also gave its own five per cent debentures, due 1952, to the city in payment of the balance. The amount of city debt for which the commission is responsible is $1,299,018. The commission's issue of 5's of 1952 amounts to $667,953. The latter is a Dominion guarantee. The amounts have been reduced by redemptions.

Issue of Three Per Cent Bonds

The Saint John Commission has also issued three per cent debentures, due 1937, in connection with reconstruction of its fire-damaged properties.

Last year there were $1,382,773 of these bonds outstanding. They are not Dominion-guaranteed, but have the same peculiar unguaranteed status as bonds issued by the harbor commissions of Quebec, Three Rivers and Halifax.

It is possible, that the short-term debts of the various harbor commissions may become direct guarantees of the Dominion Government. Another way of disposing of the issues would be for the Dominion to pay them off at maturity and incorporate the amounts in its own direct debt. Lowest interest rates could be obtained by this means.

Already large outlays for operating deficits and capital construction of the various commissions are included in the Dominion's direct debt. All the commissions owe the Government money, represented by debentures held by the federal treasury.

From the investor's point of view, the important thing is that harbor commission bonds which are not actually guaranteed by the Government are cheaper than direct government or government-guaranteed securities. Yet the Government has never allowed legally issued harbor bonds to be defaulted. Security dealers have marketed many of the bonds on the recommendation that they are virtually government-backed issues. The investor, who is willing to take any risk involved in the lack of an actual guarantee, gets the benefit of a higher yield.

COMMITTEE FINDS HALIFAX FINANCES IN GOOD CONDITION

Returns List of Recommendations on Administration to Council

A slate of changes tending toward greater efficiency in administration has been forwarded by a special committee of the Halifax Board of Trade to the city council. The committee was appointed to investigate civic matters as a result of adverse publicity regarding the city's finances. These were found by the body to be in sound condition.

Recommendations

Among the recommendations urged by the committee are the following:

1. The institution of a new system of accounting so that an independent audit may be made at any time.
2. The completion of a new survey of the city for assessment purposes.
3. A review of present forms of assessment for the purpose of obtaining increased income without reverting to new methods of taxation.
4. A diligent check on expenditures so as to reduce them to a minimum, with no further capital expenditures unless economically sound and then only for necessary purposes.

Treasurer's Department

5. A reorganization of the city treasurer's department so that all funds due the city should be paid directly to the city treasurer, thus making him responsible for financial returns.
6. The inauguration of a system whereby ability would be required in cases of application for employment in the city's service.
7. Careful consideration of the question of direct unemployment relief, should further loans to meet the situation be required.
8. Suspension of the practice of withdrawing reserves from any public utility for general purposes. The committee recommends that each utility be kept a unit in itself.

Coke Industry in West

The production of coke in the four western provinces this year to date, (ten months), amounted to 141,044 tons, as compared with 149,640 tons in the similar period of 1934.

BRITISH CAPITAL WOULD FINANCE MIGRATION PLAN

Brig.-Gen. M. L. Hornby Explains System — Canada to Benefit

From Our Own Correspondent

LETHBRIDGE. — That his proposed scheme for British settler migration to Canada would be financed entirely by British money is the fact stressed by Brig.-Gen. M. L. Hornby, author of the Hornby Plan of British Migration, just returned from a visit to the British Isles.

Gen. Hornby states that the idea behind his plan is to bring to Canada settlers from the agricultural districts of Great Britain. This, he claims, is one of the great factors in encouraging and increasing intra-Empire trade.

Trade and Migration

As support for his theory, he quotes the report of the joint British-Canadian parliamentary committee on migration: "Trade follows migration, and migration encourages trade. Every migrant from the Old Country who successfully establishes himself overseas becomes a customer for British goods and provides employment for his fellow-workers both in the dominions and the Old Country."

General Hornby was informed in England that the plan would again be brought up in the House of Commons. He expresses hope that following the election there renewed interest would be shown in the venture.

$25 Millions for Canada

"If the proposals are adopted in full, they will have the effect of bringing into Canada every year around £5 millions," explains General Hornby. "This will mean $25 millions extra income for Canada each year for the next 10 or 15 years. Assuming that this sum circulates 10 times, more than $200 millions per year would be added to the purchasing power of the Canadian people. Trade would therefore be benefitted because this sum would be paid for Canadian products and labor."

General Hornby stated that there is a growing feeling in England that the placing of Britain's surplus population on the sparsely-settled areas of Canada and other dominions is one of the first major steps in Empire prosperity, provided the scheme is adequately financed and supervised.

Approved Farm Areas

Under the Hornby Migration plan, approved farming areas close to railways, marketing centres, schools, churches, etc., would be acquired for settlement. Selected families from the English counties, financed by British funds, which the general claims is possible once the scheme is given official approval, would be placed on farms in Canadian Farm Settlements.

They would go out in groups, thus maintaining their social connection.

They would find on arrival a developed farm with a comfortable farm home, outbuildings, stocked, equipped—a going concern from the start.

Moreover, they would be given skilled supervision for several years, thereby missing many of the fatal pitfalls that have characterized indiscriminate land settlement in Canada in the past.

Maritime 'Phone Records Growth

From Our Own Correspondent

MONTREAL.—For the first time in several months, Maritime Telegraph and Telephone Co. reports a relatively marked increase in the number of telephone installations and also traffic. At the end of September the company had installed 38,792 stations, a net gain of 453 over that reported at the end of the previous month.

Returns for the Island Telephone Co., a subsidiary, were not as satisfactory, the number of stations installed at the end of September totalling 5,405, a decrease of 12 during the month.

Annapolis Pulp and Power Starts New Development

From Our Own Correspondent

MONTREAL. — Annapolis Pulp and Power Co. has undertaken the development of the water power site on the Paradise River in Nova Scotia. Under this scheme the water will be diverted at a point near Saunders Meadows to Daniels Brook.

It is estimated that the water harnessed will produce 15 million kw. h. a year and will require the installation of a 3,000 h.p. plant at West Paradise.

IN TIMES WHEN MONEY
IS NOT EASY TO MAKE:

A SUGGESTION

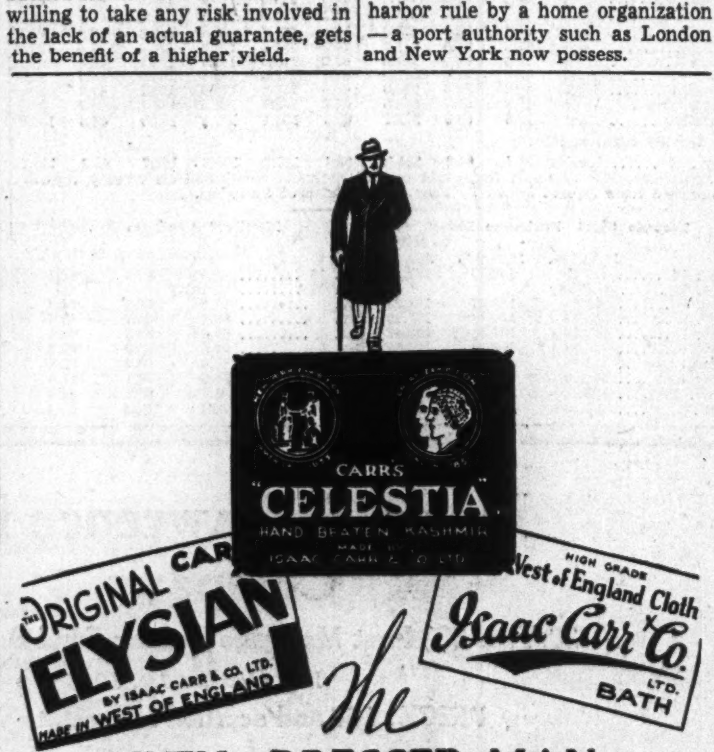
A GOOD many men who have had more than average success have found that it pays them in dollars and cents to use the services of an experienced, reliable trust institution.

By placing the *conservation* of the funds which they have already accumulated in hands which specialize in conservation, these men leave themselves free to accumulate more, without a divided mind. At the same time, they may free themselves of all uneasiness regarding the eventual management of their estates.

Before you can profit by trust services, you have to know about them. Perhaps you do. If not, we should like to explain them to you.

Crown Trust Company
EXECUTORS TRUSTEES
FINANCIAL AGENTS
393 ST. JAMES STREET WEST MONTREAL

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Beaupré, Que. Sault Ste. Marie, Ont.
Sturgeon Falls, Ont. Iroquois Falls, Ont.
Espanola, Ont. Smooth Rock Falls, Ont.
Pine Falls, Man. Fort William, Ont.
Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp



WELL DRESSED MAN

Any one of these three labels in your winter-weight overcoat is assurance of quality, which, plus good tailoring, means smartness and long wear.

Carr's "Celestia" or the Original Elysian are "West of England" overcoatings. Several generations of well-dressed men have learned that "West of England" and the name "Carr" unite in a guarantee of smartness, long wear and quality.

When a tailor or manufacturer makes an overcoat of any one of these three fabrics the Carr label is found in that coat. Demand it as your guarantee of something more than just an overcoat. Carr's Celestias, Elysians and Meltons are made in Twerton Mills, Bath, West of England.

ISAAC CARR & Co. Limited
Twerton Mills, Bath
"West of England"

Chrysler for 1936!

Chrysler Six 4-door Touring Sedan—illustrated

Custom Car Luxury AT A PRACTICAL PRICE

THIS YEAR, drive a big car! Step into the luxury class with a 1936 Chrysler . . . and still keep your budget happy!

You can buy a big new Chrysler Six for just a little more than the low-priced cars. You can drive this big luxury car at a cost as low, and in many cases lower, than smaller cars.

You get big-car comfort and roominess. Big-car riding ease from big tires and big, soft-acting springs. Big-car power, speed and pick-up. Big-car steadiness on the road.

New DeLuxe Eight

If you like action . . . be sure to drive the 1936 Chrysler De Luxe Eight. Fast and nimble, velvety-smooth . . . this brilliant new Chrysler handles like a small car, but rides with all the solid comfort of 121 and 133-inch wheelbases. It is typical of three thousand dollar cars in smartness and appointments, but its price is surprisingly low.

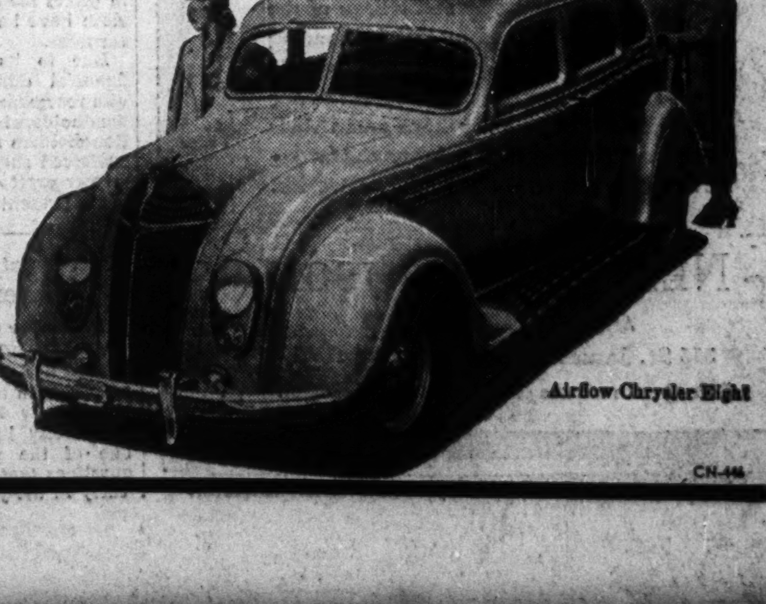
New Chrysler Airflows . . . the world's most modern travel

For 1936 Chrysler presents two beautiful new Airflows . . . the Airflow Eight and Airflow Imperial. Here you find the spaciousness only Airflow design makes possible . . . great wide doors . . . divan-like seats . . . real comfort for six grown people. Here is Floating Ride at its finest for only Airflow design permits the fullest advantage of new weight distribution. Here, too, is the greatest safety on the road . . . you ride *inside* the strong steel girders of the car frame.

Chrysler's Automatic Overdrive is standard on the Airflow Chryslers. The thrill and economy of this great achievement is also available on 1936 Chryslers at slight extra cost. All the 1936 Chryslers have strong, rigid safety-steel bodies . . . famous Floating Power . . . time-tested hydraulic brakes . . . integral body-form trunks on sedans.

See and drive the Chryslers for 1936.

$1170
for a Chrysler Six Business Coupe
Delivered in TORONTO
license extra



Airflow Chrysler Eight

CN-446

Investment Trends

Trade Agreement Works Two Ways

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Opinion on Stocks Favorable

• • • •

Building Boom and Sugar Slump

A scarcity market exists in stocks. Faith in economic and investment recovery is growing, and so holders of stocks are reluctant to sell. This has made it fairly easy for prices to rise.

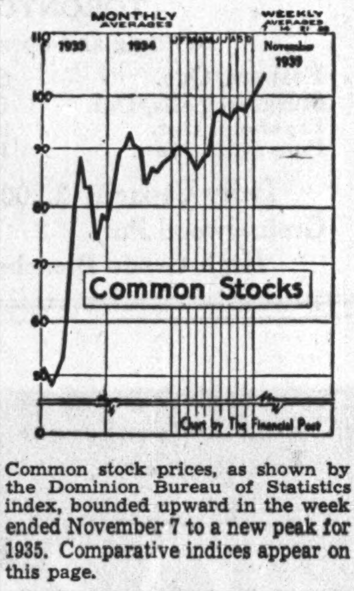
On the buying side, however, investors for the long term are reluctant to "reach" for stocks at recently-gained peak levels. Nevertheless, they will be buyers on temporary recessions that may develop. They are the backbone of the long-term upward trend.

Introduction of new cars earlier than usual has the effect of lessening the normal seasonal decline of industrial activity. Advance sales will tend to skim some of the cream off the 1936 new car market. This may be offset by an increase in total volume in the new year.

No matter who should get the credit, the U. S. trade agreement is another important step forward in Canada's recovery. As an aid to Canadian primary producers, it is helpful to investments. It amounts to giving special benefits to sections of the community that need it most. A secondary effect, however, may be to raise the cost of meats further. The rising cost of living may soon arouse protests from consumers and put some food companies and their shares out of favor. The effect on individual industries cannot be studied in advance of a knowledge of the terms.

Merchandising firms in eastern Canada are praying for sustained cold weather. They need it, they say, the sooner the better, to make up seasonal and Christmas business which has been deferred due to several mild weeks.

Revival of confidence is causing more and more concern about the inflationary credit base in the United States. While European money continues to flow into American securities, it is feared that this is largely nervous capital which is liable to flee later.



Common stock prices, as shown by the Dominion Bureau of Statistics index, bounded upward in the week ended November 7 to a new peak for 1935. Comparative indices appear on this page.

Puzzle in Averages

THE puzzling conflict of movements in stock market averages is still unsolved. It has been estimated that the recent upward movement of the Dow-Jones average for industrial shares in New York should not reach 155 before a decline. On a proportionate basis, the Toronto Stock Exchange index should be liable to a recession ere reaching 135. By this estimate, the Montreal industrial average should be in for a slump before rising above 69. Recent approximate levels have been 145 for the Dow-Jones average, 125 for the Toronto index, 63 for the Montreal figure.

In any event, major forecasting services, while not attempting to call the peak, consider the market in a temporary selling zone, which should be used to lighten the load.

Any recession of prices that may occur in the near future would be looked upon as temporary. It is widely conceded that a firm upward trend is in progress for the long term.

The factors above all others that lead to expectations of temporary set-backs are the sluggishness of railway shares in New York and of heavy industrials at Toronto and Montreal. In contrast with buoyant industrials, these "heavy" shares have remained heavy, reflecting tardiness of capital goods trades to recover.

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Views from Afar

BRITISH opinion of the outlook for share investments in Canada and the United States continues favorable. If it were not for repudiatory acts in Canada, opinion on us would be even better. Election of the King régime met with approval in financial London.

A characteristic view of Britain's own recovery, so important to Canada's export sales, is given by J. Henry Schroder & Co.:

> "There is no reason to anticipate that the forward march of British prosperity will be checked . . . Increased (corporation) profits are being used to finance further expansion . . . The point that now concerns us is the fact that these larger investments of liquid capital tend to continue the progress of the recovery that produced them, by quickening the demand for labor and materials and so promoting the pace of consumption. The cumulative effect of prosperity is just as potent in growing on what it feeds on as the vicious cycle of depression."

It is widely recognized, however, that recovery of business must be expanded on a truly international scale, if improvement in individual nations is to become deep-rooted.

Col. Leonard H. Ayres, of the Cleveland Trust Co. sees employment, especially in heavy industries, as the chief requisite for expansion of American and Canadian recovery. Nevertheless, he says:

> "Advance of stock values as a whole has not outrun the recovery of industry in the past three years."

• • •

Boom in Building

CIRCUMSTANCES similar to those responsible for the housing boom in Great Britain have come into existence in Canada. As yet, the results are only noteworthy to a minor degree. Next year, however, house-building may be in for a revival due to moderate costs, cheap money, government assistance and the return of general confidence. In analyzing the causes of the British building boom, the London Economist states:

> "The causation of a complicated phenomenon such as the housing boom cannot be explained by any one fact. The reduction in building costs and in interest rates and the return of confidence undoubtedly all contributed to the boom. Confidence in particular, was perhaps more responsible than any other element for the fact that the boom started precisely when it did. But the fundamental fact, without which the others would have been futile, is almost certainly to be found in the increased purchasing power of the mass of the consuming public."

British confidence, it should be noted, was to a major degree predicated upon reduction of the government's expenditures and balancing of the budget. Theoretically, this reduction of government expenditures was deflationary. In practice, however, it was inflationary; by inspiring confidence it brought increased spending in houses.

Among the companies which would benefit directly from revival of house-building in Canada are Canada Gypsum, Canada Cement, Building Products, paint firms, and so on. The effects of a house-building boom, however, would be stimulating to a much wider field of Canadian investment including many manufacturing firms. It could open many more profitable outlets for funds of banks and trust and loan companies.

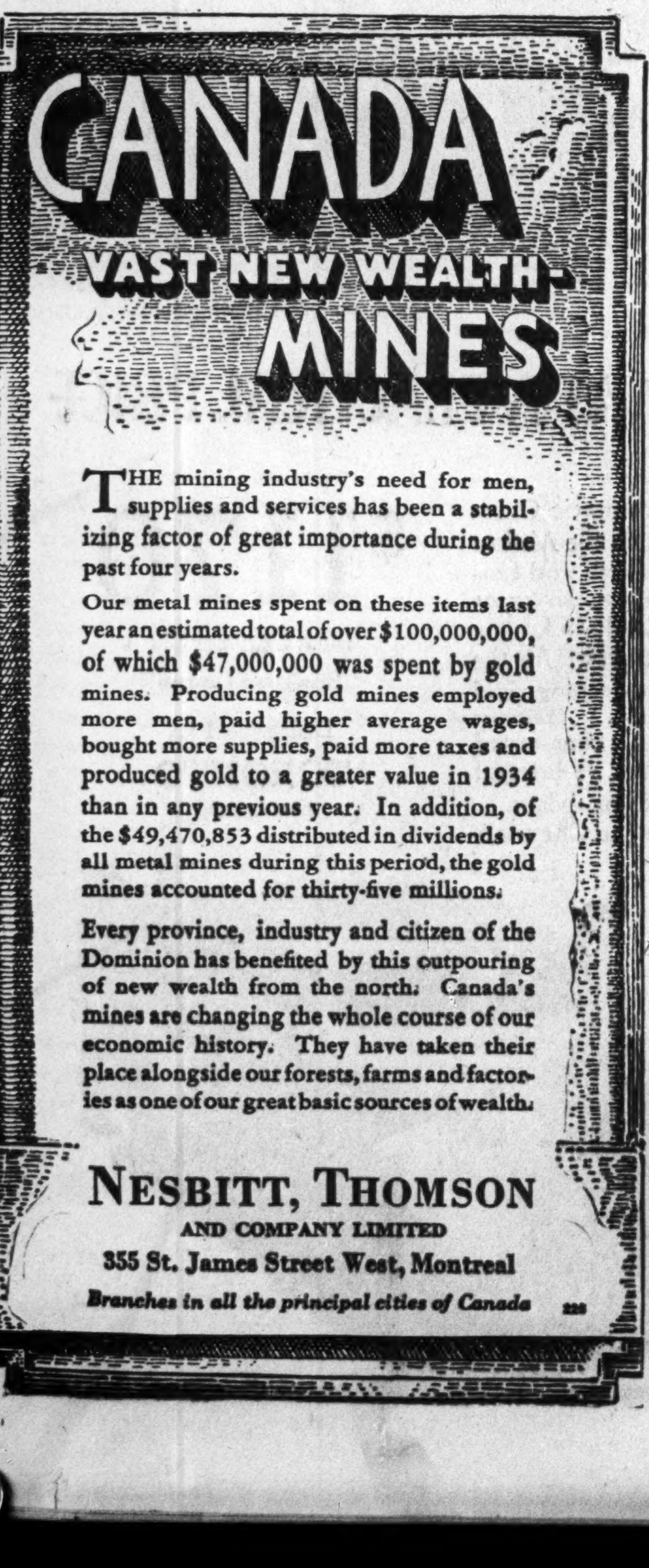
• • •

Earnings from Sugar

SUGAR melting and shipments by Canadian refineries have recently been about 16 per cent below the 1934 level. The totals for the year to date, however, remain above last year's because of earlier gains.

The sugar market continues unsettled due chiefly to the Crosse & Blackwell intrusion. Small food packs by some canners have tended to reduce demand. Lower prices and volume for sugar affect four major refining firms. Each bears a proportionate share of the difficulties. The reason for this is that the four firms, according to reliable information, share the eastern Canadian market in the following fairly definite proportions: Canada & Dominion, 44 per cent; Atlantic, and St. Lawrence, 22 per cent each; Acadia, 11 per cent. This arrangement normally tends to stabilize marketings. In the current disruption, however, all suffer proportionate damage.

Another sugar problem is the dumping duty. Removal of this levy would be a hard blow coming on top of the keen competition in the Canadian market. Sugar shares cannot be favorably affected by current developments.


CANADA
VAST NEW WEALTH-
MINES

THE mining industry's need for men, supplies and services has been a stabilizing factor of great importance during the past four years.

Our metal mines spent on these items last year an estimated total of over $100,000,000, of which $47,000,000 was spent by gold mines. Producing gold mines employed more men, paid higher average wages, bought more supplies, paid more taxes and produced gold to a greater value in 1934 than in any previous year. In addition, of the $49,470,853 distributed in dividends by all metal mines during this period, the gold mines accounted for thirty-five millions.

Every province, industry and citizen of the Dominion has benefited by this outpouring of new wealth from the north. Canada's mines are changing the whole course of our economic history. They have taken their place alongside our forests, farms and factories as one of our great basic sources of wealth.

NESBITT, THOMSON
AND COMPANY LIMITED
355 St. James Street West, Montreal
Branches in all the principal cities of Canada 228

DOM. WOOLLENS TO USE BRANDS ON SOME LINES

Identity of Products Lost in Tailoring Process

Dominion Woollens & Worsteds Ltd. is likely to introduce new brand names on a few lines of its varied textile products, it is understood.

While the company has marketed some products under the names Forbes, Auburn, and Bonner Worth, it has never waged an extensive campaign to familiarize the public with its whole range.

The major portion of the company's output of woollen cloths is sold to manufacturers of clothing. Hence, the unbranded woollens lose their identity in the process of being tailored into garments for the consumer. The unsolved problem is to bring home to the consumer the fact that certain garments are made in Canada of Canadian woollen cloth manufactured by Dominion Woollens & Worsteds.

The value of a well-known brand name for cloth is illustrated in many British cloths that are favorably known. They convince the consumer of the quality of a finished garment, no matter whom the tailor may be.

Adverse Results

No information is available yet on the company's progress since the close of its last fiscal year on June 30, 1935. In that year, a loss of $224,007 was recorded, compared with net earnings of $241,786 in the preceding year. Because of the time lag between the purchase of raw wool and the sale of finished cloth, fluctuations in prices for both wool and finished cloth have an important bearing on earnings.

Due to its adverse results and financial difficulties, the company was reorganized with the consent of bondholders in 1932 and again in 1935. Bondholders now control the voting preferred shares and holders of the former preferred stock have control of the present common shares.

B. C. Electric Fares To Remain Unchanged

From Our Own Correspondent

VANCOUVER. — Vancouver city council has decided not to press for reduction in the seven-cent car fare charged by B.C. Electric Railway on its city lines. This disposes of one of the primary controversial questions that await the conference early in the year

Imperial-Pete Group Pays Out Huge Dividends Regular and Special

International Petroleum Provides Imperial With 80 Cents Per Share in 1935 But Draws on Reserves to Do So

International Petroleum Co. dividends in 1934 amounted to $32.7 millions and in 1935 to $36.3 millions. Its actual earnings in the year ended June 30, 1935, were $21.7 millions available for 200,000 preferred shares of $2.50 par value and 14,324,088 no par value common shares.

Moreover, the company's first published financial statement shows that it can go on for nearly five years paying $12 millions a year more than it earns before using up its present earned surplus of $59.7 millions. This does not take into account an appropriated surplus of $4.9 millions which is reserved under South American laws and which may not be available for dividends. That appropriated surplus includes $725,209 taken from earnings in the year under review.

Pay Large Dividends

This long-awaited statement is of interest to shareholders not only of International Petroleum but to all shareholders of Imperial Oil, Ltd. That interest is further whetted by the fact that Imperial Oil and International Petroleum have just declared dividends for the last half of the calendar year 1935. They are payable on December 2 to shareholders of record November 15 and warrants go ex-çoupon on November 29 on the Toronto Stock Exchange. Imperial Oil's payment will be 25 cents regular, 37½ cent special payment, or 62½ cents a share in all. International Petroleum will pay 75 cents a share regular and 50 cents a share special, or $1.25 a share in all. Imperial Oil has paid $1.25 a share in 1935 now and International Pete $2.50 a share.

The dividend picture for these two companies for 1934 and 1935 is shown in the following table as a background for consideration of the new financial statement of International Petroleum:

Imperial Oil Dividends

	Reg.	Sp'l.	Totals
June 1, '35	$0.25	$0.37½	$0.62½
Dec. 2, '35	.25	.37½	.62½
Total, '35	$0.50	$0.75	$1.25
Total, '34	.62½	.30	.92½
Gain over '34			$0.32½
Int. Pete. Dividends			
June 1, '35	$0.75	$0.50	$1.25
Dec. 2, '35	.75	.50	1.25
Total, '35	$1.50	$1.00	$2.50
Total, '34	1.40	.88	2.28
Gain over '34			$0.22

Imp. Oil Dividends Paid

	No. of shares	Dividends
1935	26,919,871	33,649,839
1934	26,919,871	24,881,255
Gain over '34		8,768,584
Divs. from Pete. in '35		21,227,929
Paid by Imperial per share		$1.25
Rec'd from Pete. per Imperial share		.80
From other sources		.45
Int. Pete. Dividends Paid		
1935	14,324,088	36,310,200
1934	14,324,088	32,658,921
Gain over '34		3,651,279
Earnings y. e. June 30, '35		21,666,536

These two companies, Imperial Oil and International Pete, present a picture of a world group of extraordinary strength. Imperial Oil's net assets of $175 millions and International Petroleum's net assets of $165.4 millions, as shown on their respective balance sheets, give a total of $340 millions compared with a valuation given in stock markets of the world at more than a billion dollars. Stock market valuations reach three-quarters of a billion dollars even if one eliminates from the calculation the Imperial Oil holdings of more than 8 million shares of International Petroleum Co.

The working capital of Imperial Oil was $69.1 millions at the end of 1934 and of International Pete $57.2 millions on June 30, 1935, or $126.3 millions in all. The following tables will show that the huge payments made in dividends in the last year or two have not weakened the companies or lessened their ability to pay bonuses from time to time whenever directors think it wise:

Comparison of Liquid Assets
(In millions of dollars)

	Imp. Oil.	Int. Pete.
Cash	13.9	19.8
Investments	23.8	20.9
Receivables†	11.5	15.6
Inventories	27.4	7.6
Total current	76.6	63.9
Deduct: Curr. liabs.	6.9	11.3
	67.7	52.6

Note:—Details of net current assets of two companies totalling $120.3 millions differs from working capital shown on another page as market value has been taken above rather than actual amount shown on balance sheets.

†There are also shown outside current assets $3.7 millions of deferred receivables, miscellaneous loans and advances.

The story of liquid strength as shown in foregoing tables is not complete unless one states that both companies also show investments in subsidiaries at prices far below current market valuations. As there is no intention to sell such shares they are not included in current assets. Imperial Oil showed at the end of 1934 $59.5 millions of investments outside its current assets. Yet these are all revenue-producing and include its International Petroleum shares. Its shares of subsidiaries are given at a total of $40.6 millions whereas net book value shown on International Petroleum's balance sheet is four times as much and market valuation eight times as much.

Valuable Non-currents

International Petroleum itself shows investments of $51.3 millions outside current assets. This may not be too modest a total as shares which cost $17.9 millions are stated to have a market value of $13.5 millions. All other items in this total are revenue-producing. They include: cumulative preferred shares which are not listed but which have all dividends paid up, $14.2 millions; secured vessel mortgages, $17.6 millions; and bonds pledged under guarantees, $1.6 millions.

It is to be noted that 11.5 per cent of the current assets are in a South American country where there is at present a partial embargo on the export of funds. The company is lucky in that it ships from Peru and Colombia its crude and refined products to the markets of the world and thus establishes large balances where most available for financing and for dividends. It does do a growing business in the countries of origin and in South America.

All-Time Peaks

The crude oil produced in the 12 months ended June 30, 1935, in Peru and Colombia amounted to 32.8 million barrels, states G. H. Smith, president, in report to shareholders. Gasoline absorption plants produced 1.6 million barrels. The average total production of both products was 94,258 barrels daily. Refineries at Talara and Barrancabermeja processed 7.6 million barrels or about 20,720 barrels daily. These are all-time peaks for the company.

In both Peru and Colombia, says Mr. Smith, the extensive oil fields of the company lend themselves admirably to the system of unit operation. This permits recovery of the oil in the most economic and scientific manner known to the industry. After extracting gasoline content the company returned daily during the year 22.2 million cubic feet of gas in Peru and 22.4 million cubic feet of gas in Colombia to the producing horizons. Increased recoveries of crude resulted and it gave the company as well increased reserves of fuel gas for the operation of the producing properties and the refineries.

Drilling programmes were increased during the year. During the depression they had been restricted.

Markets Widely

The crude oil and refined products were marketed in more than 20 countries situated in South America, Central America, North America, the West Indies and Europe. The company supplied the needs of Peru and Colombia for gasoline, refined oils, lubricants and fuel oil. Sales in Peru were up 16 per cent and in Colombia 16.8 per cent. In both countries the company owns the tank cars, bulk stations and other facilities necessary for distributing its products. It has a fleet of steamers on the Magdalena River in Colombia and on the west coast of South America for local distribution. Tankers owned or controlled by the company take its exports to foreign countries. Transportation is therefore assured.

Good relations exist with the governments of Peru and Colombia. Both countries have had a marked industrial and economic improvement in the last year, Mr. Smith reports.

Like Imperial Oil the company's depreciation and depletion policy is adequate. The depreciation reserve of Imperial Oil is more than half the book cost of $118.7 millions for its fixed assets. International Petroleum Co. shows a 68 per cent reserve against its fixed assets of $100.3 millions as well as an amortization reserve of nearly half its $54.5 millions shown as cost of concessions, rights, development expenses.

Imperial Oil has a reserve of $9.8 millions for fire, marine and other insurance and International Pete one of $6.3 millions.

For income, surplus and working capital tables see page 12.

Coast Breweries Plans Capital Distribution

From Our Own Correspondent

VANCOUVER. — Shareholders of Coast Breweries, Ltd., have approved application to Ottawa for authority to permit a capital distribution.

Coast Breweries has invested $450,000 in various brewery enterprises in the United States and in order to give its shareholders a more direct interest in the American concerns, ownership of Coast Breweries equity in the General Brewing Corp. of San Francisco and of Star Brewery of Vancouver, Wash., has been vested in Capital Estates, a Delaware incorporation.

Capital Estates has been capitalized at 180,315 shares, the same as the outstanding shares of Coast Breweries, so that Coast Breweries shareholders will receive share for share in the new company. Trading facilities will probably be provided here, as most of the shareholders live here. It is stated that Capital Estates shares are worth about $5 each.

Pantapec Oil Listed On Toronto Exchange

Pantapec Oil Co., with authorized common shares of 2.5 million no par value and 1,978,044 shares issued, has been listed on the Toronto Stock Exchange. It is also listed on the New York Curb.

This company's holdings are in Venezuela where it has an interest in production from 28 wells.

Toronto Better Business Bureau Gets Under Way

Toronto Better Business Bureau is just sending out its first bulletin warning members on various rackets being operated in the Ontario area. It is sent out by Arthur R. Haskell general manager, who has been selected for the position because of his 11 years experience with the Montreal Better Business Bureau.

Mr. Haskell is getting in touch with boards of trade throughout Ontario, asking that these shall represent the work of the bureau in their respective towns. It is his object to secure a clearing house of fraudulent business practices throughout Ontario and to work with the better business bureaus in Montreal and Winnipeg, and with the 46 now operating in the United States.

The bureau has 230 members. Its work will be largely preventive but it offers to aid members of the public in investigating stocks, bonds, ticket sales, canvassers and businesses. Any prosecutions will have to be made by individuals themselves.

Mr. Haskell was born in Montreal and educated at Lower Canada College. He went overseas with the first battalion Canadian Tank Corps. On his return he entered the employ of the Northern Electric Co., and he was for four years with the St. Maurice Valley Paper Corp. at Cap de la Madeleine.

G. W. Saddlery Meet Dec. 18

Official notice has been sent to bondholders of Great West Saddlery Co. of a meeting to be held December 18 to consider modifications of sinking fund requirements on the company's six per cent first mortgage bonds.

With sinking fund well ahead of requirements, the company is asking for a reduction in the annual sinking fund charge in order to protect working capital. Instead of an annual amount equivalent to three per cent of the original amount of bonds, plus interest on the amount retired, the company asks that it be permitted so long as any bonds remain outstanding to pay on March 1, 1936, and ending March 1, 1948, the following amounts; which will be sufficient to retire the issue at maturity.

Sinking Fund Payments

1936	$26,480	1942	$37,562
1937	28,069	1943	39,816
1938	29,753	1944	42,205
1939	31,538	1945	44,737
1940	33,430	1946	47,420
1941	35,436	1947	50,267
1948	$53,287		

The amount of "net current" assets and "net tangible" assets that must be maintained before dividends can be paid is to be reduced from $1.2 millions and $2 millions respectively to 1½ times and three times the par value of bonds outstanding from time to time.

Improvement in Saskatchewan

Enquire regarding exchange transactions.

The Provincial Treasurer of Saskatchewan reports betterment of $1,300,000 in the budget position of the Province this year compared with the same period a year ago.

Saskatchewan's 1935 wheat crop was 47% of the Dominion's and 20% greater than last year. The price trend is upward.

The new issue of Province of Saskatchewan 4% Bonds, due November 1st, 1960, is available in $500 and $1,000 denominations. At the issue price of 88 and interest, to yield 4.83%, these bonds provide an attractive investment for surplus funds, or in exchange for securities now held.

Mail enquiries receive our prompt attention.

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Toronto
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Hamilton
Vancouver
London, Ont.

Investment Notes

Canada Bud Cash

CANADA Bud Breweries had a gain of nearly 25 per cent in sales in October over the 1934 month. The recent declaration of a dividend of 20 cents a share failed to lift the shares materially. The payment is welcomed by shareholders, but some of the more cautious think the company might be better situated for next year if funds were retained in the company. It requires substantial working capital—or bank borrowings—to finance the summer inventory and the prepaid taxes on it. Dividend payments have been earned by a good margin, so working capital should be improved despite the payment.

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National Light "Stays Put"

REPORTS that sale of control of National Light & Power Co. is planned by Iowa Southern Utilities Co. are exaggerated. Since the U. S. Utilities Act has been questioned in the courts, sale is considered extremely unlikely in the near future. Canadian holders of National Light bonds would not be greatly affected anyway.

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National Grocers Policy

IN REGARD to reports that plans are on foot to capitalize arrears of dividends on National Grocers preferred stock, The Financial Post understands that no such plan has been even drafted for consideration. Naturally any change in the company's policy of treatment of preferred dividends would be of importance to the common stock.

The company's past and present policy is to pay the regular dividend on the preference stock after meeting all senior charges; Then, if there are profits available in addition, to make a payment on arrears of preferred dividends. The common stock is conceded to have long-range possibilities. It would be incorrect, however, to buy the common shares on the supposition that some scheme will suddenly be presented to wipe off preferred arrears at one blow.

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Fanny Farmer Payments

INTEREST in Fanny Farmer is now directed at dividend policy. This year's payments at the rate of 50 cents a share amount to double the 1934 dividend rate. Since the earnings will be well above $1 a share, a bonus could be paid at the end of the year. The dividend rate having been doubled, and the company's policy having been to conserve resources however, it would not be surprising if the bonus issue were side-stepped, or the amount of any bonus held to a minimum.

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U. S. Duty on Liquor

IF, AS and when, the U. S. import duty on Canadian spirits is reduced, by signature of the trade agreement, it will not necessarily mean an overnight El Dorado to Hiram Walker-G. & W. and Distillers Corp.-Seagrams. It would allow more ready development of the American market for higher quality spirits. Profits based on this, however, would be expected to develop over a period of some months.

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Lower St. Lawrence

PUBLIC financing undertaken this week by Lower St. Lawrence Power Co. indicates a change in control of another Canadian company. For many years Lower St. Lawrence was controlled by Consolidated Gas & Electric Co., but early in 1935, J. A. Brillant, who has been largely responsible for the growth of the company, acquired all of the capital stock. In order to consolidate the company's funded debt and place it in a stronger financial position, Lower St. Lawrence is now offering to the public a first mortgage bond issue through R. O. Sweezey & Co., McLeod, Young, Weir & Co., and Hanson Bros.

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Pete Dividends

THOUGH International Petroleum Co. consolidated income and surplus account shows $1.49 a share earned on 14,524,088 preferred and common shares, it also shows that $2 a share is earned before depreciation, depletion and amortization.

Total paid in the year ended June 30, 1935, was $2.25, and the rate is $2.50 a share for the calendar year 1935. Thus 79 cents a share for the fiscal year could be regarded as return of capital or $1 a share in the calendar year if earnings were at the same level as for the fiscal year. In reality they were better. On the other hand, the earnings were $1.44 a share if one eliminates $767,284 profit on sale of securities as a non-recurring item.

The earned surplus would still permit the payment of two years full dividend at even the present high rate if the company earned nothing in the next two years and payment for five years if its earnings stayed the same. The company had a peak in production in 1935 and expects this improvement to continue. As international trade develops, the company's opportunities should widen. It is expanding drilling activities in preparation for whatever comes. South American trade is developing.

British observers still expect the company to use some of its great resources to buy Creole Petroleum in Venezuela. New York denies that this is intended, but Britishers see share prices keeping in step as though some accumulators had some such destiny in view for the two companies.

'Peg Electric Plan Nears Completion

If Manitoba Power Co. bondholders accept the Winnipeg Electric reorganization plan this week, as expected, all bondholders of every company will have indicated acquiescence. It will be the spring of 1936 in all probability, however, before the last obstacle to the merger is removed and all details carried out. It is still possible for the whole plan to be destroyed in December by action of preferred or common shareholders of Winnipeg Electric.

Some opposition has been recorded by preferred shareholders, but the promoters of the plan say they went further than many bondholders thought equitable to meet the preferred shareholders. They say as well that bankruptcy of the various companies would leave the preferred and common shareholders in a bad position.

Ford Output Gains But Profits Are Low

Wallace R. Campbell, president, Ford Motor Co. of Canada, says total production in 1935 will reach 78,000 units. Exports alone accounted for 48,000 units, the previous record being 39,503 units in 1926. Payroll is $10.5 millions, factory employees averaging $965 each of 6,371 employees for the first nine months of 1935. Payroll for 4,140 employees in 1934 averaged $1,096 for whole year.

Margin of profit has been inadequate due to rising costs, says Mr. Campbell. Prices have been kept low in order to achieve volume and give employment.

Significant Investors' Index Numbers

1926 = 100

	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
No. of Securities	15	6	4	4	10	19	8	87	20	112
1929-34:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	241.9	311.0	163.6	235.4
Low	36.8	1.4	34.9	76.3	24.0	68.5	27.3	44.0	30.5	38.6
Monthly Figures, 1935:										
January	129.4	14.0	71.5	181.5	75.8	134.2	106.8	129.7	50.4	90.5
February	126.4	13.4	67.4	197.7	75.6	131.3	108.1	128.8	49.4	89.6
March	117.0	11.6	56.0	176.0	74.1	126.5	101.6	125.6	45.1	86.1
April	119.4	11.1	56.9	178.6	73.1	125.1	99.6	130.8	43.8	88.5
May	121.9	10.8	59.9	211.7	70.3	127.8	102.4	144.4	44.4	96.8
June	118.6	10.5	58.4	217.9	67.2	127.0	104.7	145.2	45.0	97.1
July	122.2	10.6	57.4	210.6	66.7	128.5	116.7	143.8	44.7	95.5
August	122.1	12.0	59.3	210.0	65.5	130.1	122.9	146.1	47.7	98.2
September	118.7	12.4	61.2	206.6	61.8	128.7	126.5	147.1	46.3	97.5
October	123.0	12.6	60.9	215.1	63.5	134.4	133.2	152.9	45.6	100.0
Weekly Figures, 1935:										
Nov. 7	128.6	13.7	64.6	231.8	69.4	143.2	149.3	163.7	48.2	106.7

*High and low of years from 1929 to 1934 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Nov. 12	123.28	108.29	102.89
Nov. 11	Holiday		
Nov. 9	123.67	108.38	102.99
Nov. 8	123.57	110.08	102.72
Nov. 7	122.96	107.37	102.47
Nov. 6	123.59	108.70	104.05
Month ago	111.94	103.79	94.34
Year ago	103.40	116.89	84.56
High, 1935	123.88	123.68	104.05
Low, 1935	97.90	96.70	80.83

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Nov. 12	67.5	63.8	65.1
Nov. 11	Holiday		
Nov. 9	67.9	62.6	64.4
Nov. 8	68.1	62.7	64.5
Nov. 7	67.3	63.5	64.7
Nov. 6	67.6	63.9	65.2
Month ago	61.9	60.4	60.9
Year ago	60.2	58.1	58.8
High, 1935	68.1	64.1	65.4
Low, 1935	56.1	54.8	56.1

Timely
INVESTMENT
SUGGESTIONS

We will be pleased to send you, upon request, a list of selected securities recommended for investment at this time.

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Without obligation, please advise me on current Investment Opportunities; send me List T-1.
Name..............................
Address..............................
....

Lower St. Lawrence Power Company

20-Year 5% First Mortgage Sinking Fund Bonds, Series "A"

Due October 1st, 1955

PRICE: 100 and accrued interest, to yield 5%

THIS hydro-electric power company, established in 1922, serves a section of Canada settled by a thrifty and industrious people. The stability of earnings over the past five years has fully demonstrated the inherent soundness of the company's affairs.

Further particulars will be supplied on request.

HANSON BROS.
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Queen 8774

Bond Markets

Quotations Hold Firm

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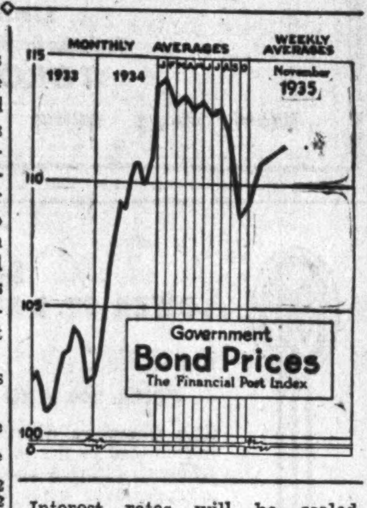
Conversion Still Discussed

Bond prices remain firm, as accumulating funds continue to enter the investment field. British and American sources are not now large buyers of Canadian securities, but small net exports of Canadian bonds lighten the volume of issues available to buyers here. As new issues consist chiefly of refinancing, new investment funds are pushing existing bonds up to higher levels.

British observers suggest that a national conversion loan in Canada is almost inevitable. Sourness on Canadian credit has led to the drying up of the former stream of British investment in bonds here.

Ottawa has had many requests for explanation for the unusual term of 19½ years given to $55 millions of the recent Dominion bond issue. It is explained that as an economy it was made to correspond exactly with $40 millions of bonds sold last June. This consolidation into one issue had been viewed as a possible forerunner of debt conversion.



Prices Gain Ground

GILT-EDGED government bonds have risen above 111 in The Financial Post index and have held this gain. Western provincial bonds have been rising by fractions. Corporation bonds show gains predominating, even in the Quebec power issues affected by the Ontario Hydro contracts. The next bad news on the Hydro deal could be expected to weaken the Quebec power bonds again, but the market seems confident that a satisfactory settlement will eventually develop.

Trend of the gilt-edged market is indicated in the averages:

The Financial Post Average Yield and Price for Seven High-Grade Bonds

1935	Yield %	Price $	1934	Yield %	Price $
Nov. 12	3.610	111.51	Nov. 10	3.773	110.62
Nov. 9	3.607	111.56	Nov. 9	3.773	110.62
Nov. 8	3.614	111.50	Nov. 8	3.763	110.76
Nov. 7	3.624	111.43	Nov. 7	3.770	110.71
Nov. 6	3.636	111.30	Nov. 6	3.779	110.56
Nov. 5	3.671	110.96	Nov. 5	3.793	110.47
Nov. 4	3.684	110.86	Nov. 3	3.807	110.31
Nov. 2	3.693	110.73	Nov. 2	3.807	110.31
Nov. 1	3.683	110.80	Nov. 1	3.807	110.30
Year's	3.367	114.97	Year's	3.373	115.00
Range	4.097	106.57	Range	4.517	102.54

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Loans on Market

THE recent offering of $3.5 millions of Saskatchewan 4's to yield 4.83 per cent is understood to be selling fairly well. The issue of $1.4 millions of Lower St. Lawrence Power 5's at 100 is doing the same. Both issues have felt some interference from the recent Dominion issue of $75 millions. Continued firmness of prices is expected to lead to more rapid sale.

Nova Scotia's invitation of tenders is indicative of the new government borrowing that is expected to develop if present levels for gilt-edged securities are maintained.

T. Eaton Realty five per cent bonds have come down fractionally from the premium above 100. The reason is street reports that the issue may be called at 100 and refinanced, possibly at four per cent.

Corporation refinancing is expected to develop on a broad scale, but, for this, the bond market must remain strong and the borrowers must have virtually unimpeachable credit rating.

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Alberta's Scheme

THE latest from Alberta is that the province will propose a scheme to refund its entire debt and possibly the bonds of Calgary and Edmonton. In exchange for a Dominion guarantee, the province would earmark certain revenue to meet charges on bonds issued under the guarantee.

Alberta 3's guaranteed by the Dominion would be worth more on the market than straight Alberta 4's are at present. The scheme is along the lines that conversion of western debt might be expected to take. It is reported to be part of the budget-balancing plan being drawn up for Alberta by Robert J. Magor, president of National Steel Car Corp.

Mr. King's answer to this scheme, when it is presented at the premiers' conference at Ottawa in December, may be the key to Dominion policy on all western provincial debt.

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Conversion Views

IN LONDON, the Investors' Chronicle comes forth with an article on Canadian bonds by "Candidus," who says, in part:

> "Everyone expects a conversion of the internal debt. Following the Australian example, the scheme will be voluntary, but unpleasant consequences may follow if agreement is not given. Interest rates will be scaled down, and perhaps the provincial government obligations will be exchanged for bonds carrying a Dominion guarantee at a much lower rate of interest (following the policy adopted by Great Britain in the case of Newfoundland)."

This is perhaps too definite a forecast, but it agrees with the expectations of many. The trouble with proposals of Dominion guarantees is that no one can predict with confidence where they will end. Without guarantees, however, voluntary conversion might be unlikely to succeed.

One thing is known. Ottawa authorities have studied the conversion problem in great detail. If and when proposals are made, consideration is likely to be given to every alternative.

Gasoline

Knock Rating Best in Year Exhaustive Government Report Reveals — More Using Color

Every year inquisitive officials of the Fuels and Fuels Testing branch of the Mines Branch at Ottawa scurry out across highways and byways to test the kind of gasoline on sale by wholesale and retail distributors in Canada.

Results of their latest test (made in 15 cities in July, 1934) have just been published this week.

Some 117 samples of gasoline were tested for volatility, knock rating, vapor pressure, gum corrosion, color, gravity and price. Prices ranged from 13 to 28 cents per gallon (excluding tax) and this year 70 per cent of all gasolines tested were found to be colored compared with only 10 per cent back in 1927. Both volatility and knock rating were the best in years, the average octane rating being 66 compared with 65 the previous year and 62 in 1932.

Octane Ratings

Of this latter yardstick the report (signed by H. Mc. D. Chantler) says: "Knock rating has become a significant factor in the marketing of motor fuel for the new (high compression) automobiles, although volatility is still the primary requisite for all automobiles."

Most interesting table for the layman is one which groups some 50 brands of gasoline according to their average knock rating. This divides the various brands into three arbitrary groups, namely, "premium," "regular" and "third grade" gasolines as follows:

"Premium" gasoline having octane numbers of 75 and over.

"Regular" gasoline with octane numbers between 74 and 65.

"Third Grade" gasoline with octane numbers of 64 and below.

Of these groupings the report says:

"In order to meet the requirements of all automobiles, the major oil companies generally speaking, are now marketing three grades of motor fuels and these grades differ principally in knock ratings." The three groups, it is reported, have almost the same "volatility."

Three Groupings

The types of gasoline on the basis of these three arbitrary ratings together with the name of the company marketing the product follows:

Group 1—(Octane No. 75 and above)

Name — Company
Peerless Ethyl—B. A. Oil, Toronto.
Canadian Ethyl—Can. Oil Co., Toronto.
Sylvester Benzol — Champlain Oil Co., Montreal.
Cities Service Ethyl—Cities Serv., Toronto
Imperial Ethyl—Imperial Oil, Toronto
Irving Ethyl—Irving Oil Co., Halifax
Cyclo Ethyl—McColl-Frontenac, Montreal
Super-Shell Ethyl—Shell Oil of Can., Toronto
Supertest Ethyl — Supertest Petroleum Corp., London

Group 2—(Octane No. 74 to 65)

Benzolene—Benzolene Corp., Ottawa
Nevr-Nox—B. A. Oil, Toronto
White Rose No-Knock—Canadian Oil Co., Toronto
Champlain Purple—Champlain Oil Co., Montreal
Koolmotor—Cities Service, Toronto.
Green Flash—Crown Dominion, Hamilton
Hi-Octane—Dominion Oil, Vancouver
Violet Ray—General Oil, Vancouver
Home—Home Oil Distributors, Vancouver
Three Star—Imperial Oil, Toronto
Primrose Blue—Irving Oil, Halifax
Diamond Hi-Octane—Island Pacific Oil, Victoria
Richtest—Mahoney and Rich, Ottawa
Marathon Blue—McColl-Front., Montreal
Good Gulf—Putman Bros., St. John
Shell—Shell Oil, Toronto.
Super-Shell—Shell Oil of B.C., Vancouver
Blue Sunoco—Sun Oil Co., Toronto
Wonder — Supertest Petroleum Corp., London
Texaco Fire Chief—Texas Co. of Canada, Calgary
Union 76—Union Oil of Canada, Vancouver
Mobilgas — White Star Refining Co., Hamilton.

Group 3—(Octane No. 64 and below)

Beach S.Q. and BML Blue—Beach Motors Ltd., Ottawa
Bell—Bell Refining Co., Calgary
Benzogas and Commercial — Benzolene Corp., Ottawa
British Motor—B. A. Oil Co., Toronto
Bengal — Burlington Refineries Ltd., Hamilton
White Rose—Canadian Oil Co., Toronto
Cities Service—Cities Service Co., Toronto
Goodrich**—Good Rich Oil Co., Toronto
Hi-Way Green Star**—Hi-Way Refineries, Regina
Premier—Imperial Oil, Toronto
Marquis**—Marquis Oil Co., Edmonton
Standard White — McColl-Frontenac Oil, Montreal.
Economy—North Star Oil, Winnipeg
Electro—Prairie City Oil Co., Winnipeg
Regal—Regal Oil & Refining Co., Calgary
Supertest — Supertest Petroleum Corp., London
White**—Supreme Oil Co., Toronto

** The average Octane number is below 50.

Ontario Government Revises Amusement Tax

Ontario Government has assented to part of the requests made by moving picture companies and exhibitors for lower amusement taxes. Movie business has been better all over Canada since August except in Ontario and the difference is attributed by executives of amusement enterprises to the taxes on tickets costing 25 cents and less.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Barcelona Trac.	6½%	1965	Dec. 1	‡100
Consumers Glass	5%	1948	Dec. 1	103
Int. P. & P. Nfld.	4½%	1948	Jan. 15	100
Mtl. Coke & Mfg.	5½%	1947	Dec. 1	102
Ont. Steel Prod.	6%	1943	Dec. 1	†110
Riordon P. & P.	6%	1942	Dec. 31	§106
Acadia Sugar	6%	1946	Jan. 1	103
Matapedia Val. L. & Pr.	6½%	1944	Feb. 3	102½
Can. Nor. Rly.	7%	1940	Dec. 1	102½
Ham. By-Prod.	7%	1943	Feb. 1	102

For sinking fund: ‡$15,100. §$74,000. †$23,900.

Stock Issues:	Rate	Stock	Date	Price
Can. Gen. Elec.	7%	Pref.	Nov. 15	115
Can. Dredge & D.	7%	Pref.	Jan. 31	107½
Can. Packers	7%	Pref.	Jan. 1	110

Elected to Exchange

R. EDWARD AIKMAN

Newly announced partner of Jones, Heward & Co., who has been elected a member of the Montreal Stock Exchange.

Dominion Stores Sales In October Declines 3.21 p.c.

A decrease in sales of 3.21 per cent is reported by Dominion Stores for the four weeks ended Nov. 2. Sales per store, however remained steady, the number of stores in operation being 488 as against 502 in the corresponding period of 1934.

In each of the four-week periods reported so far this year sales have shown a decrease. Over the 44-week period ended Nov. 2 sales were down 7.51 per cent.

Sales for the four week period ended Nov. 2 amounted to $1,383,939, compared with $1,429,819 in the corresponding 1934 period.

Comparative sales for the eleven four-week periods reported to date are as follows:

Monthly Sales (Subject to final adjustment)

Four week period ended:	1935 $	1935 $	Decr. %
Jan. 26	1,226,611	1,373,111	10.67
Feb. 23	1,352,553	1,481,037	8.68
Mar. 23	1,417,909	1,528,273	7.22
Apr. 20	1,385,269	1,505,736	8.00
May 18	1,360,939	1,543,289	11.82
June 15	1,350,741	1,557,863	13.29
July 13	1,340,440	1,488,015	9.92
Aug. 10	1,313,961	1,372,530	4.27
Sept. 7	1,290,685	1,349,204	4.34
Oct. 5	1,472,157	1,475,326	0.22
Nov. 2	1,383,939	1,429,819	3.21
Total	14,895,204	16,104,203	7.51

Note—Fewer stores were operated during the above periods, in comparison to the 1934 corresponding periods, to the following extent: Jan. 26, 19 stores; Feb. 23, 16 stores; Mar. 23, 17 stores; Apr. 20, 18 stores; May 18, 25 stores; June 15, 19 stores; July 13, 20 stores; Aug. 10, Sept. 7, 21 stores; Oct. 5 and Nov. 2, 14 stores.

OCTOBER BOND SALES TOTAL $24 MILLIONS

Total for First 10 Months of Year is $311 Millions

October financing in Canada amounted to only $4.4 millions, according to a compilation by the Dominion Securities Corp., Toronto. This figure excludes $20 millions in treasury bills issued by the Dominion government.

Bond sales in the current year to October 26 show a sharp drop compared with the corresponding period of 1934. This reflects a smaller amount of financing on the part of the Dominion government, a refunding loan of $250 millions having been issued in October, 1934, as against the $20 millions of treasury bills in October of this year.

Most of the financing in Canada for the first 10 months of 1935 has consisted of refunding outstanding debt at lower rates of interest.

A comparison of sales follows:

Bond Sales to October 26

Borrower:	1935 $	1934 $
Dominion of Canada	138,737,987	298,666,666
Provincial	67,505,000	119,434,000
Municipal	26,882,874	17,570,778
Public Utility	4,438,000	28,427,400
Railway	48,400,000	12,000,000
Industrial and misc.	25,263,000	6,131,596
Total	311,226,861	482,230,440

Paper Output Hits New High For October

From Our Own Correspondent

MONTREAL. — Canada's newsprint industry showed an all-time production record last month with an output of 266,515 tons, according to figures released by the Newsprint Service Bureau.

The previous all-time monthly newsprint production record was established in November, 1929, when 252,046 tons were manufactured by the Canadian mills.

Operating Ratio Up

Last month the Canadian industry operated 78.9 per cent of rated capacity compared with 74.6 per cent in September this year; 70.1 per cent in October, 1934, and 59.9 per cent in October, 1933.

Cumulative production for the first seven months of 1935 was 2,245,703 tons—also a new record. In 1929, the best year previous, the total was 2,243,582 tons, while in 1934 it was 2,118,879 tons.

A large part of this year's gain over 1934 is accounted for by increased sales to overseas markets, while seasonal activity prior to the closing of navigation also had its influence.

Anglo-Canadian Telephone Stock Listed in Montreal

From Our Own Correspondent

MONTREAL. — Anglo-Canadian Telephone Co. 7 per cent cumulative redeemable preferred stock has been listed on the Montreal Stock Exchange. The company has an authorized issue of 100,000 shares of preferred stock of the par value of $50 each and of this number 66,000 have been issued and listed on the exchange.

Bond Tenders

Nov. 18, Hull, Que.—$130,500, 3½ or 4 per cent, payable serially from Nov. 1, 1936 to Nov. 1, 1955. H. L. Leblanc, city clerk.

Nov. 14—Town of St. Johns, Que.—$166,800 of 4 per cent serial debentures, redeemable from Dec. 1, 1936 to 1960.

12 o/c noon, Nov. 14, Dominion of Canada—$20,000,000, treasury bills, dated Nov. 15, 1935, payable Feb. 15, 1936. Bank of Canada, Ottawa.

6 p.m., Nov. 26, St. Colomb De Sillery, Que.—$41,500, 4 per cent bonds, redeemable serially from Nov. 1, 1935, to Nov. 1, 1975. J. O. Frechette, sec.-treas.

4 p.m. Nov. 21, Granby Catholic Sch. Comm., Que.—$150,000, 4 per cent bonds, redeemable serially from Dec. 1, 1935 to Dec. 1, 1960. J. Lemieux, sec.-treas.

8 p.m. Nov. 19, Westmount, Que.—$220,000, 3½ per cent serial coupon bonds, maturing from May 1, 1936 to May 1, 1955. C. W. Houston, asst. sec.-treas.

5 p.m. Longueuil, Que.—$15,000, 4½ per cent bonds, dated Dec. 1, 1935, redeemable serially for period of 20 years. Denis Viger, sec.-treas.

Form Protective Group For Town of New Toronto

Formation of a protective committee for debenture holders of the town of New Toronto has been announced.

New Toronto has been in default of debenture interest and principal since late in 1933. Since early this year the affairs of the municipality have been under the supervision of the Ontario Municipal Board.

With fiscal agents of the town preparing a plan to adjust the finances of the town, a protective committee has been formed so that debenture holders may be in a position to make effective presentation with respect to any such plan.

The committee is made up as follows: C. H. Burgess, C. D. Henderson and N. A. Morrison, Toronto; A. R. Goldie, Galt; G. J. McKie, Simcoe. Secretary to the committee is A. C. Cochrane, 200 Bloor St. E., Toronto.

Bond Sales

Municipal Issues

The Credit Anglo-Francais Ltée has purchased the following municipal issues: $25,700 principal amount of 4½ per cent debentures of the Village of St. Joseph, of Grantham, Quebec, maturing 1936 to 1955; $37,500 principal amount of four per cent debentures of the School Commission of St. Jean Vianney (Gatineau Mills), maturing 1936-1941, and $52,500 principal amount of five per cent debentures of the same school commission, maturing 1941 to 1951.

Town of Paris

Town of Paris, Ont., has sold $25,000 of four per cent debentures at par. The issue was sold by the municipality locally. The proceeds are to be used to take care of waterworks extensions.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Paris, Ont.	Nov.	Locally	4%	....	$25,000	100	.....
St. Joseph of Grantham, Village of	Nov.	Credit Anglo Francais	4½%	1936-55	25,700	*100	4½%
St. Jean Vianney, Sch. Commission of	Nov.	Credit Anglo Francais	4%	1936-41	37,500	...	.....
St Jean Vianney, Sch. Commission of	Nov.	Credit Anglo Francais	5%	1941-51	52,500	*100	5%
Woodstock, Ont.	Nov.	Winslow & Winslow	4%	9-ins.	18,000	100.15	3.98%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Minas Basin Pulp & Pwr.	Oct.	Direct	6 & 7%	1-3 yrs.	$30,000	.....	.....

*Offering price.

We offer:

$100,000
CITY OF MONTREAL
4½% BONDS
DUE 1ST FEBRUARY, 1947
PAYABLE CANADA AND NEW YORK
PRICE:
105.50 AND INTEREST

BELL, GOUINLOCK & CO.
LIMITED
25 KING STREET WEST
MONTREAL TORONTO, CANADA WINNIPEG
TELEPHONE: ELGIN 2236

STUDEBAKER PRESENTS
the smartest cars of 1936... for the smartest buyers of 1936
PRICED AS MUCH AS $400 LOWER

$1088 DELIVERED IN TORONTO
NOTHING MORE TO PAY

Easily the stand-out value of all the new cars!

16 NEW BEAUTY FEATURES
34 NEW COMFORT FEATURES
14 NEW ECONOMY FEATURES
21 NEW PERFORMANCE FEATURES
12 NEW SAFETY FEATURES

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TORONTO, NOVEMBER 16, 1935

Our Credit in London

FROM a member of one of the leading London stock exchange firms, The Financial Post has received a letter containing this paragraph:

> "I am afraid our market has not loosened up much on Canada. About two days after the election, I sent out a circular letter suggesting that, now that the election was over and King had a strong majority there was bound to be a great improvement in the common stock market in Montreal and Toronto. I then suggested a purchase of about 15 different equities. My total sales as a result of this letter were exactly nil. It will take some time to undo the harm which Hepburn, McGeer and others have done."

Arthur Beverley Baxter, an ex-Canadian now in London, said in an interview the other day that "the British financial man has become mortally afraid of losing his money if he puts it in Canada" and prefers to send it to South Africa and Australia.

The British head of a large Canadian financial institution was in The Financial Post's office the other day. He said:

> "It takes at least three times as much effort now to interest the British investor in even sound Canadian propositions than it ever took before. He does not trust us."

The simple truth is that Canada has forfeited almost the whole of whatever credit standing she ever had in Great Britain. Unbalanced budgets have had something to do with it. But policies of repudiation and confiscation, added to widespread popularity of monetary heresies, have finally lost us our honorable position with the British investor.

Some day we will wake up to the fact that the credit position we have lost is worth trying to regain.

What About the Railways?

THERE has been a barrenness of reference to the railway problem in forecasts of government policy that have been coming out of Ottawa. Already it is being tipped around in Liberal circles that this government will do nothing about the railways.

Most citizens will trust that the gossip is wrong, that Mr. King and Mr. Dunning and their associates have very definite ideas on what needs to be done to put the stopper in the railway bung-hole.

They feel much as the Evening Telegram, of Toronto, feels when it writes:

> "Either Prime Minister King must modify his pre-election attitude of inaction and blind-eyed unconcern regarding the railway situation or he must abandon his promise of reducing Canada's debt. Mr. King will make a mistake if he accepts the outcome of the election as an endorsation of a do-nothing policy in respect to the tremendous annual losses which the C. N. R. is unloading on the taxpayers. The people of Canada will not be content to go on indefinitely paying these unnecessary bills."

Australia Reduces Taxes

AUSTRALIANS are disappointed. In the recent budget tax reductions were very moderate, the concessions granted by the state treasurer amounting to only £510,000. But the treasurer restored a further percentage of the salary cuts of state servants and increased the grant to the smaller states. Canadians would be happy to be disappointed in this way.

In Western Australia the premier and treasurer, in delivering the budget speech, also announced the expiry of the emergency cuts in salaries, pensions, grants, etc., and indicated that there would be no new taxation.

In New South Wales the state budget provided for reduced taxes on wages and small incomes and for a 10 per cent reduction in railway freight rates on wheat, fruit and dairy products produce.

Steadily over a term of the last five years, Australian public finance has been improving. Most of the governments are coming very close to paying their way and some are showing surpluses. There have been some reductions in taxes which are but an earnest of better things to come. There has been no suggestion of increased taxes in recent years.

Australia faced a crisis in 1930. The people admitted their difficulties and set out in a spirit of courage and sincerity to restore the stability of public finance and to effect a major reconstruction of the national economy. There was an acceptance of the principle of equality of sacrifice. Above all there was a desire to do the fair thing by those who had invested capital in Australia; there was no attempt at repudiation of obligations or contract, except incidentally where unavoidable.

Today Australians are reaping the benefit. Their public finances are in sound shape, taxes are being reduced and general prosperity has in a large measure returned.

Canada, on the other hand, still has to face the problem of national financial reconstruction.

To Sell Our Wheat

MR. KING went to Washington to see if he could find a market for more Canadian goods. How about sending Mr. Dunning and Mr. Gardiner to England and Europe to sell Canada's wheat surplus?

The suggestion is not made jestingly. The way for Canada to sell wheat now is to let the world know that we have good wheat for sale at fair prices. It is going to be difficult to convince our customers abroad that this country will pursue a policy of offering wheat for sale at prices that compare favorably with those asked by our competitors. We must again earn the confidence of the British and continental miller.

Mr. Dunning and Mr. Gardiner would be good salesmen for Canada's chief product.

Breweries and the Public

RECENTLY, when the province of Ontario suspended the licenses of 19 hotels, it was shown how sensitive governments are to public opinion. There is no evidence that the law, which forbids the ownership of taverns by brewery companies, had been broken but it had apparently been got around by the formation of a "friendly" holding company. The spirit of the law rather than the letter had been broken but this was sufficient to bring about a drastic penalty. The penalty was not exacted until public opinion was aroused by newspaper publicity. The officers of the government must have known all the facts for months but no action was taken until there was publicity.

The whole brewing business exists only by consent of public opinion. This applies to every business. Executives of the brewing companies must conduct their operations in entire and wholehearted compliance with the law—both in its spirit and its legal terms. If they think a law is unnecessarily restrictive and unwise they can get a change only by convincing the public of that.

It has been shown time and time again that politicians will not go further in legislation favorable to brewing or distillery companies than they believe a large majority sentiment will favor.

Some of the families that have been connected with the brewing business in the past and many of those still connected with it have turned out many Canadian business men of the highest character who have made a useful contribution of citizenship. They deplore anything that can be interpreted as under-hand dealings with the public.

Indirect evasion of the law as it exists is not to be excused on the part of any brewing corporation. The executives of any brewing corporation that is guilty of such conduct ought to be asked by the shareholders to resign.

It may be that the whole story has not been told concerning the recent incident in Ontario, that there was more "politics" in the suspension of the hotel licenses and the early restoration of most of them than appears on the surface. The fact that the suspension came only when scare headlines about "tied" hotels appeared in the newspapers suggests that possibility. In that case, shareholders of the brewing company concerned are entitled to a complete public statement from the heads of their company.

Business and Education

A SPLENDID tie-up between business and education was recently arranged by the Winnipeg Board of Trade in cooperation with the University of Manitoba. During the fall and winter months, a series of half hour career talks will be given to first and second year students of the university, by men connected with leading Winnipeg business corporations.

The series includes addresses on the grain trade, live stock, farming, lumber, banking, finance, industry, wholesale merchandising, retail merchandising and railway transportation. The men who are giving talks are C. C. Ferguson, general manager of the Great West Life Assurance Company; A. E. Darby, secretary of the Winnipeg Grain Exchange; John McEachern of the Bank of Montreal; R. A. Phelan, general manager of the Hudson Bay Mining & Smelting Company; A. E. Warren, vice-president, Canadian National Railways, and others of similar calibre.

The objective is to give the students a better idea of the scope of the particular vocation, its opportunities, its rewards, its difficulties and the natural and acquired qualifications needed for success.

This is a splendidly constructive bit of work and the suggestion it offers to boards of trade in other university centres is obvious.

One Engineer's Plight

CANADA'S engineering profession is keenly interested in a Supreme Court decision rendered recently by Justice Kingstone, in Toronto, dismissing a motion to compel the granting of a certain membership in the Ontario Association of Professional Engineers.

The case arose out of the predicament of an Ontario engineer, a non-member of the provincial association, who moved to the United States and sought registration in that country. This was denied him unless he could show membership in the Ontario Association or unless he abandoned his Canadian citizenship. Accordingly he applied for registration in the Ontario Association. Membership had been open to him during his years of residence in Ontario, but he had postponed application. When he applied in Ontario, while a resident of United States, his application was refused by reason of the restriction of membership to residents of the province.

The engineer took proceedings in the Supreme Court of Ontario to compel registration, contending that the Professional Engineers' Act did not require residence in Ontario. The court disagreed with him, and dismissed his proceedings, holding that no engineer could acquire membership in the association unless he resided in Ontario at the time of his application.

Which leaves this engineer the alternative of surrendering his Canadian citizenship, or passing up a promising position in the United States.

The real point of the story is that laws lack elasticity enough to cover reasonable exceptions. Yet most people seem to think that passing laws settles everything.

Editorial Notes

The Vancouver Sun speaks of fifty rail lines "running all over the country." We only know of two that run all over Canada.

* * *

Commenting on the "youth" of Saskatchewan Premier Patterson, who is 39, the Montreal Gazette pertinently asks, "How old is young?"

* * *

The Duke of Manchester is reported to have $35,000 in a Canadian mine but it is not stated whether it was $35,000 in cash or $35,000 that he had hoped to make.

* * *

The orderly progress of business expansion in the United States is in striking contrast to the confusion at Washington. But New Deal confusion promises to be harmful to business. A typical example of the prevailing uncertainty is seen in the news that firms operating under N.R.A. codes are being investigated by the Federal Trade Commission for possible indictment under the anti-trust laws.

Post-Scripts

Chinese Folk Tragedy

CANADIAN newswriters might try all their lives and never capture the simple poignancy contained in the following story, noticed in a north Chinese newspaper (printed in "English"), by a friend of The Financial Post, resident in Shanghai. Spelling, typographical errors and general construction, while not recommended, seem to add to this little folk tragedy:

"Mu Tsi-shan who lived in the Tung Hsin Village is on the staff of Chefoo-Weihsien Motor Road Bureau. The daily expense was dependent upon Mu's small wage. By aim of his wife and daughter who were engaged in peanut sorting the difficult livelihood would be easily past. Recently Mu's brother, whose wife were staying at Mu's home, has arrived to seek for means tc support his poor living owing to the bankruptcy financial situation through the whole of the agricultural district. A day or so ago Mu's wife came back from the peanut shop and has discovered many fresh mushrooms under a pine tree when she was passing through a pine forest. Then she gathered some, brought home for cooking into food and entirely ate them in their supper. After supper they felt something wrong in their stomach and their head infatuated. The miship was inrreasingly berame serious and meanwhile Mu's wife was dead.

"Later on all the members were fell down and approximately dead. They were all sent to Temple Hill Hospital by their neighbours. By an immediate healing Mu and his brother's wife was recovered but all the others his wife, daughter, two sons and brother were completely dead. The miship was caused by the fresh poisonous mushrooms. Under Mu's deepest grief they were buried yesterday."

Sayings of the Week

"A living coward gets more fun than a dead hero."—*James Bridie.*

• • •

"It seems to me the world is heading for a very great catastrophe."—*David Lloyd George.*

• • •

"Gilbert-and-Sullivan was undoubtedly a great man."—*Hesketh Pearson.*

• • •

"Adolf Hitler's book and speeches are our Sermon on the Mount."—*Herr Wagner.*

• • •

"Co-operative effort for peace is not a dream." —*Rt. Hon. Stanley Baldwin.*

• • •

"In Germany the people have no money, but they have contentment." — *Joseph Hergesheimer.*

• • •

"The trouble with Washington is that there are too many politicians and too few statesmen there."—*"Alfalfa Bill" Murray.*

• • •

"Moscow seems certain to lose its magnetism as Bolshevism retreats from many of its original ideals."—*W. H. Chamberlin.*

• • •

"Just because one man gets a brainstorm does the whole of Europe need to be thrust into war?" —*James J. Montague.*

• • •

"Whatever may have been said about the rights of the individual, they are limited always by the welfare of the community as a whole."—*Bertrand Russell.*

• • •

"A man who is a friend of none is very apt to find in critical times a need of those friends whose absence he would then realize."—*Rt. Hon. Stanley Baldwin.*

• • •

"The great trouble today is that too many people are looking for someone else to do something for them. The solution is in everyone doing something for himself."—*Henry Ford.*

• • •

"If television had been possible during the war a battle might have been televisioned direct to cinemas displaying posters, 'Come and see your soldier sons killed.'"—*Prof. W. Cramp, Birmingham.*

• • •

"A new principle for business is necessary for further progress. The old principle was conceived in greed and stupidity and its theme has been to get all it could regardless of society."—*W. T. Grant.*

• • •

"There was no need to have spent one single lira of Italian money to sharpen a sword or forge a gun in order to get a decision which the League itself would have given if the facts justified it and reason supported it." — *Ramsay MacDonald.*

• • •

"It is not vouchsafed to everybody to appreciate the full sublimity of the doctrine that if one of two married persons is guilty of misconduct there may properly be divorce, while if both are guilty they must continue to abide in the holy state of matrimony."—*Lord Hewart.*

Analyzing Mr. Bennett

Stratford Beacon-Herald

In a signed article by John Bayne Maclean in the current issue of The Financial Post the reasons for the failure of Hon. R. B. Bennett are analyzed. We quote the opening paragraph:

> "Next to over-confidence, Mr. Bennett's great weakness as Prime Minister was his lack of administrative business experience and of the wisdom that such successful experience brings. And he did not know it. He has never built a successful business or created employment. Hence he has not the trained executive capacity to select men to fill important positions, to coach them, to guide them, to advise them as to his policies and inspire them in carrying out these policies."

There is probably a good deal in what Col. Maclean says. During an election time we get an erroneous conception of what government actually is. There is nothing much in a political campaign which suggests the quiet and serious carrying on of the greatest business in the Dominion. Men who are directing other businesses do not go about making speeches as politicians do; they do not have to. But when the whole thing is sifted out it is blunt truth that government is plain business and in these days mighty serious business.

It is probably correct to say that Mr. Bennett has not had experience in building business with the purpose of creating employment. Col. Maclean is competent to make such an assertion because he started a number of years ago with one lone trade paper and he has kept on until today he is probably the most outstanding publisher in his class in the British Empire. He knows what it is to select and train executives and then send them about their business and he knows what it is to create employment for hundreds of people. Mr. Bennett has had no such training, and for that reason he may have been handicapped in selecting men for important posts and then proceeding to offer helpful suggestion as to how best their departments might be made to serve public interest.

Col. Maclean believes Hon. Wesley Gordon as Minister of Immigration and Colonization and Minister of Mines was the best man in the Bennett ministry. He came from the north country where people are accustomed to hardship, but he knew people could live on the land and he proceeded to put them there. That is, he had a clear-cut idea of what his department should be doing in attacking the problem of unemployment and he went ahead and did it.

It is probable that Mr. Bennett is lacking in the quality which gives confidence to those who work with him. He is a strong man; make no mistake about that, but he is of the one-man type. To illustrate: When he made his series of addresses on the radio prior to the opening of Parliament in which he outlined policies on which no Conservative convention has passed some of his own cabinet ministers sat and listened in as did the general public, and that was the first they had heard of the new policies. We do not believe a strong cabinet or a strong party is built in that way.

Mr. Bennett is a fearless man, a tireless worker and a great Canadian. Nor is he through. He could be a stronger man by depending more on those whom he calls to his assistance.

How We Got Our Economic System

Charles R. Gay, president of the New York Stock Exchange, gave utterance at Boston recently to a truth whose general acceptance would be the world's greatest protection against hare-brained political faddists, wild-talking revolutionaries and persuasive reformers with universal panaceas.

"Our existing economic system," he said, "is the result of a long, slow, groping, evolutionary growth. It did not just happen. Every institution, every activity, every mechanical instrument, every industrial operation, every commercial practice, every financial device—all are the result of thousands of years of invention, experiment and trial-and-error evolution.......

"All these agencies and instruments have been combined together into one great economic system. The system was not planned. It was not invented. It was worked out through centuries of experiment by millions of men struggling to find ways to obtain food and shelter and protection with the materials at hand.....

"The parts of this vast economic scheme are adjusted to one another with a delicacy that far exceeds the accuracy of the finest precision gauges of industry.....

"Economic history shows, with one example after another, that this self-acting economic system has a faculty unknown to any other living organism. It has the power of replacing its own worn parts, of curing its own ills, automatically.....

"There has never been a mind capable of planning an economic system like ours.... The automatic adjustment of its parts is too complicated for us to understand it fully. ....Rash interference and reckless tinkering with one part invariably result in damage to other parts and injury to the whole productive machine.....

"In this great economic system there is every ingredient necessary to the building of a society in which poverty and insecurity can be reduced to negligible terms. But the building up of this system will be through hard work and individual initiative and personal ambition, and patient saving and private enterprise."

As Others See Us

Paying Six Per Cent For Funds

St. Catharines Standard

The Financial Post declares that Premier Hepburn with his new chain store savings banks is really paying six per cent for Old Man Ontario's money. And when the Old Man comes to realize that fact, it will not be quite pleasant for Mr. Hepburn.

A First Necessity

St. Catharines Standard

The Financial Post this week reminds the new government there is a long hard way for Canada to go yet, and demands first thing a balanced budget. It will be a difficult achievement.

Political Sagacity

Durham Chronicle

The way to be most successful in politics is to make the people do something they don't want to do without knowing it. From this distance Premier Aberhart of Alberta seems to have accomplished this very thing, and this should stamp him as a successful politician. He has made the people of Alberta, the majority of whom are free traders, or freer traders, vote for tariffs. In the rural areas, according to The Financial Post, there were 58 per cent of the voters who cast their ballots for candidates who supported the Aberhart plan of Social Credit.

In brief, as The Post says, 58 per cent of Alberta's farmers voted for a system of protection for Alberta's producers against the outside world. Further, this financial paper says: "This may make it a little embarrassing for their leaders to make as effective protests against the protective tariff system as they have made in the past."

Really, however, it is nobody's business what the province of Alberta does, providing, of course, they are pursuing a sound financial course. Whether or not this is the case will not be known until the plan has been worked out and placed in operation.

Perhaps Mr. Aberhart is one of those super men, far ahead of his times. In convincing 58 per cent of the people of that province to vote for tariffs he has certainly proved himself no slouch of a politician.

The Cost of War

Oshawa Times

Speaking at a luncheon in Toronto the other day Floyd Chalmers, editor of The Financial Post, gave a striking illustration of the wastage of resources through warfare. He was dealing with the economic warfare which has come in the wake of the great war, and he showed what might have been accomplished could the money spent on that war have been made available through the normal channels of trade, business and industry Here is what he said:

"The great war cost 80 billion dollars in gold while it was being fought. That money would have provided 20,000,000 families in different parts of the world with decent housing accommodation. Before Canada is through paying for its share in that war, our taxpayers will have contributed eight billion dollars. What would eight billion dollars do to aid poverty in Canada?"

That statement makes one think deeply of the cost of war in relation to the needs of the people. Hundreds of thousands of families in Canada are today on relief because of the cost of the last great war, because of the use of wealth to meet that cost, instead of its use to provide for a wider distribution of the products of agriculture and industry. That should be an object lesson to Canada, and to other nations as well, in what the inevitable aftermath of war is sure to be. No nation, counting the cost of war as we know it now, should lightly embark on any policies which might lead to another general conflict, which must of necessity be even more deadly and devastating than the last war proved to be.

Industry and the Tariff

Niagara Falls Review

Some industries are alarmed at the possibility of reductions in tariff protection and, in some quarters, one hears suggestions that plants will have to close down. Some industries undoubtedly have depended solely upon the tariff for profits and ignored educational advertising appeals to consumers. The Financial Post, certainly not unfriendly to the manufacturers, warns that a good many Canadian firms will have themselves chiefly to blame if the demand for their products falls off, particularly those who, while taking full advantage of the Bennett emergency tariffs, have made little or no attempt to educate their Canadian customers as to the value of their wares; have spent little or no money to establish in the minds of consumers a definite preference for their particular products:

Such firms will be extremely vulnerable if increased imports from other countries enter the Canadian market once more, and The Post continues:

"Canada must have a tariff but it should never be regarded as the sole prop of any industry. Those manufacturers who back up reasonable protection with sound merchandising can meet almost any situation arising from changes in government."

That would seem to be good advice whether there are tariff changes or not. Otherwise British and American firms which have been carrying on advertising and educational campaigns about their products consistently and continually will seize the market which so far has been held by non-advertising concerns. High tariffs never can take the place of proper merchandising and advertising.

Stop Me If You've Heard This One

It was very rough at sea and among the ships that were tossed unceremoniously about by the boisterous waves was the B. C. Telephone Company's cable barge, Brico. The pitching of the ship had the usual unpleasant effect on many aboard, but among those who were not ill was Foreman Andy Jackson.

"You know, I don't feel a bit sick," said Andy to Supervising Foreman Al Miller, "but I can't keep a thing on my stomach."

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Week in Business

Will Trade Pact be Permanent?

• • • •

National Recovery Already Under Way

A Number One question which business men in Canada and United States will want to know, once the smoke and roar of a reciprocity treaty between the two countries has died away, is just how permanent such a pact will be. By waiting until after the Canadian federal election, Washington has enabled the Ottawa end of this question to be answered very definitely. For obviously the signature of Mr. King to the treaty means considerable assurance of stability as far as Canada is concerned.

It would be fortunate if as much could be said for Mr. Roosevelt's signature. In the height of his personal triumph two years ago he received a unique mandate to negotiate trade pacts without need of reference to his stultifying Senate. But what may happen in January, 1937, when a new Congress assembles is a big question mark.

Assuming that the present pact is duly signed, it means therefore that Canada will have a very vital, personal interest in the November, 1936, election to see to what degree the Roosevelt plans and policies will be sustained by the electorate. At the moment the political tide has started definitely to ebb away from "F.D.R." but just how far or how fast this movement will have gone a year from now remains to be seen.

Meanwhile there will be a year in which to see the effects of this attempt at trade rapprochement. If business recovery proceeds sufficiently it may be that not even a hostile Congress or Senate will attempt to undo what has been consummated during the past week.

* * * *

By fostering the movement toward increased trade, the two leaders will get credit for something which has been occurring to some extent without political action. Thus without any change in tariff, Canada's exports of farm products (which shrunk under the Fordnery-McCumber tariff of 1922 and the Hawley-Smoot tariff of 1930, from a peak of $191 millions in 1920 to a low point of $7 millions in 1933) rose to $49 millions in the fiscal year ending Mar. 31, 1935. Further considerable gains have been made since that time. The chief reason has been economic necessity of U. S. consumers impelled by drought and similar unfortunate circumstances.

Canadian imports from the U.S. have not been quite as resilient but increased one-third during the two-year period ending Mar. 31, 1935. The total in that year was $303 millions compared with a peak of $868 millions in 1928-29.

This is largely the result of so-called "natural forces" of recovery which have asserted themselves on a wide front in the past few months; have caused Cleveland Trust's Col. L. P. Ayres to remark this week that: "There is convincing evidence that the increase in business activity this autumn has been both genuine and general."

A trade pact with Washington may prove, however, to be what Col. Ayres describes as our chief need at the present time, namely: "A solidifying of confidence as will impel men to undertake extensions of enterprise, assuming new risks in the hope of making new gains."

Business Indicators

Changes of the Week

(Compared with the same period last year)

Favorable:	***Unfavorable:***
Ottawa's weekly business index.	Wheat exports.
Carloadings.	Bond sales.
Newsprint production.	

Leading Indicators as Compiled by The Financial Post

▲Denotes new figures this week.

	WEEKLY DATA —Latest—		—Cumulative Total— Jan. 1 to date	
Transportation—	1935	1934	1935	1934
Car loadings (Nov. 2)	▲52,094	51,967	1,994,862	1,968,062
C.P.R. gross earn. (Oct. 31)	$ 4,324,000	$ 4,416,000	$ 106,233,000	$ 103,650,000
C.N.R. gross earn. (Oct. 31)	$ 5,804,439	$ 5,626,916	$ 142,956,078	$ 137,766,061
Business Conditions—				
Weekly index D.B.S. (Nov. 2)	▲96.0	90.8	......	......
	MONTHLY DATA			
Business Conditions—	1935	1934	1935	1934
Financial Post index (Sept.)	104.4	96.4	......	......
Transportation—				
C.P.R. net earnings (Sept.)	$ 3,290,218	$ 3,033,580	$ 11,386,758	$ 13,670,107
C.N.R. net revenue (Sept.)	$ 2,292,672	$ 2,010,243	$ 6,165,665	$ 7,142,505
Iron and Steel (Sept.)—				
Pig iron production (tons)	54,360	43,019	419,064	279,090
Steel ingots and castings prod. (tons)	90,952	67,489	647,704	585,162
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (Sept.)	2,560	3,059	69,483	56,707
Factory output (Sept.)	3,819	4,211	109,141	87,027
Trucks and Buses:				
Domestic sales* (Sept.)	1,427	951	14,952	10,056
Factory output (Sept.)	1,504	1,368	28,209	21,654
Exports (Sept.)	4,792	3,343	49,484	37,419
Construction—				
Building permits (Sept.)	$ 3,322,026	$ 2,247,784	$ 36,510,379	$ 19,681,056
Contracts awarded (Oct.)	$ 14,925,100	$ 11,152,700	$ 147,649,300	$ 109,297,800
Newsprint (tons)—				
Production (Oct.)	▲266,515	235,021	2,245,703	2,117,228
Exports (Sept.)	208,911	190,794	1,812,786	1,728,014
Sugar (lb.)—				
Melting & shipments§	73,677,075	87,892,557	629,971,194	601,084,210
Manufactured§	74,056,391	86,934,082	624,681,003	587,062,267
Flour (bbls.)—				
Production (Sept.)	1,535,189	1,383,205	9,823,026	10,343,837
Wheat flour exports (Sept.)	395,640	369,320	3,410,419	3,723,048
Trade (September)—				
Imports	$ 44,689,463	$ 42,207,602	$ 403,036,316	$ 377,249,292
Exports	$ 64,564,915	$ 58,135,136	$ 491,807,087	$ 459,164,884
Wheat exports (bush.) (Sept.)	▲17,272,672	17,588,359	92,634,512	109,998,609
Employment, D.B.S. Index (Oct. 1)—				
All industries	106.1	100.0	......	......
Manufacturing	103.3	94.4	......	......
Electric Power Output (Sept.)—				
Total monthly (000's omitted)	1,919,214	1,627,289	16,942,001	15,299,852
Aver. daily	63,974,000	54,243,000	....	....
Other Industrial Indices—				
Lumbering:				
Plank & board exports, mill (Sept.)	112,413	123,163	965,956	1,025,957
Boot & shoe prod., pr. (Sept.)	▲1,962,451	1,704,677	16,528,838	14,223,517
Crude petrol., imp. gal. (Sept.)	127,018,000	118,210,821	830,022,923	792,862,322
Cotton imports, lb. (Sept.)	5,857,000	7,669,000	73,849,026	97,217,000
Raw rubber imp., lb. (Sept.)	3,594,000	6,205,577	42,792,212	46,991,609
Coal imports, tons (Sept.)	1,427,277	1,593,859	9,534,331	9,803,038
Finance—				
Bank debits (Sept.)†	$ 2,425,895	$ 2,580,850	$ 22,684,735	$ 23,324,418
Bond sales (Oct.)	$ ▲65,415,900	$ 271,227,944	$ 723,345,929	$ 600,137,220
Life insurance sales (Sept.)	$ 26,696,000	$ 26,123,000	$ 267,262,000	$ 274,818,000
Automobile Financing—				
Used cars (Sept.)	$ 1,374,332	$ 1,085,155	$ 14,668,795	$ 11,195,569
New cars (Sept.)	$ 1,437,378	$ 1,310,041	$ 18,794,312	$ 14,341,375

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.

†000s omitted. §For 4 weeks to Oct. 5.

New Industries

Daniels-Gehman, Galt, has leased the Lundhurst dairy plant for the manufacture of butter and casein. The latter is a substance precipitated from milk by the action of rennet. It will be used by a paper manufacturing firm.

International Cooperage Co., Eagle Lake (Haliburton) Ont., plans the erection of a large plant in place of that recently destroyed by fire.

Canadian Dairy Factories

The total number of dairy factories in operation in Canada in 1934 was 2,652 or 64 less than in the previous year. Comprised in that number were 1,231 creameries, a decrease from 1933 of five; 1,053 cheese factories a decrease of 73; 347 combined butter and cheese factories, an increase of 16; and 21 concentrated milk plants, a decrease of 2. The total number of factories shows a decrease of 64. The combined total value of all products of dairy factories in 1934 was $92.6 millions, an increase over 1933 of $5.4 millions.

Government, Municipal
and Corporation Bonds

List of offerings, or current
quotations on any issues, furnished promptly on request.

Royal Securities Corporation
Limited

244 St. James Street
MONTREAL

330 Bay Street
TORONTO 2

Halifax, Saint John, Quebec, Ottawa, Winnipeg, Vancouver,
Charlottetown, Hamilton, Calgary, St. John's, Nfld., New York, London.

Background of Business

Gasoline Sales Higher

Fused Collars—Rear-Engined Cars—Christmas Buying

Few commodities ring up the cash sales that gasoline nets from motor car drivers on this continent. Last year Canadian motorists spent approximately $125 millions on gasoline, The Financial Post estimates. Of this, $29 millions went to the government in gasoline tax—the remainder to service stations, garages and other purveyors of the precious fluid.

An additional $10 millions is spent by those who buy gasoline for other purposes than motoring and are therefore immune from the provincial tax which ranges from 6 to 8 cents per gallon.

The total is only approximate, since prices per gallon vary widely in all parts of Canada and range (exclusive of tax) anywhere from 12 or 13 cents to 28 or 30 cents per gallon.

This year preliminary figures for the first eight months of 1935 show gasoline sales about 8 per cent ahead of last year which means that Canadians are buying gasoline at the rate of about 1.5 million gallons per day compared with a low point of one and one-third million gallons in 1933. An important analysis of types of gasoline sold in Canada is published elsewhere in this issue.

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Rear-engined Cars?

The Manchester Guardian Commercial has issued a special supplement on Czechoslovakia. It features an advertisement by Tatra Works Ltd. of its new 8-cylinder, streamlined rear-engined car.

Tatra (head office in Prague) is one of the oldest motor car factories in the world. Its first car was built in 1896 and many important inventions have originated from Tatra works which have influenced the whole world on automobile design. For instance in 1921 the first Tatra came on the market with independent wheel suspension. Tatra was one of the leading makers to exhibit a rear-engined car at the London and Paris shows.

Some motor experts believe this may be a leading trend in the 1937 shows in Canada and the United States.

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Bacon and Cash

Shoppers in Woolworth stores in New York find on sale Cellophane-wrapped packages labelled "Canadian Bacon." The bacon sells for 10c and each package contains three ounces. Just where the Canadian comes in, however, is a little obscure since the label also carries the name of the merchandiser—George Kern with the added remark—"Made in New York."

Another interesting sidelight on Woolworth merchandising is the machine-like regularity with which sales girls "bounce your money." Every coin gets a severe drilling on a special alloy slab on the cash register, before being accepted as okay.

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Piano Sales

Figures were quoted recently in this column regarding the upturn in piano sales. Figures issued this week confirm this analysis and indicate that actual sales of pianos in Canada in 1934 rose 48 per cent from 881 the previous year to 1,309. Value of these pianos rose to something under a quarter of a million dollars.

It still remains to be seen, however, to what extent piano makers can get back to the good old days when sales totalled as high as 18,000 annually.

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Fall Business

Apropos of higher priced goods, the president of an important automobile company instanced last week the change in buying habits by citing the "constantly rising demand for bright-colored shirts, expensive seasonal suits, fine luggage, expensive fur coats, costly jewellery, high priced razors and individually designed products."

Unfortunately in Canada, unseasonably warm weather in November and late October has proved something of a brake to retail sales. It remains to be seen just what sort of vim will appear when new winter merchandise starts to move.

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Fused Collars

Retailers of men's wear in Canada are a bit hot under the collar about "fusion."

Men's Wear Merchandising has been canvassing the opinion of the new fused collar recently introduced in Canada after an apparently successful debut in the U.S.A. The fused collar is an attempt to achieve stiff collar smartness in a shirt with an attached collar.

Opinions expressed range from approval and enthusiasm to disinterest and condemnation. Chief criticism seems to be that it will not be popular in summer; that a $2 minimum price is preventing widespread sale and that customers are still a bit suspicious of its merits. Other retailers feel early sales indicate it will be increasingly popular once it is properly established.

• • •

Fusion Technique

The best fused collars, according to Men's Wear Merchandising, are achieved by the use of a special interlining and not by use of any different fabrics in the outside pieces of the collar. This apparently does not apply to some imitations which have been offered on the market.

A curious feature of the collar is its "porosity." The collar is apparently only "spot welded," and the fabric is said to contain thousands of small pores through which moisture can pass without destroying the fused effect.

• • •

Christmas Buying

The outlook for Christmas business between now and December 24 is promising, says Hardware and Metal. Wholesalers state assortments of gift merchandise ordered by dealers are for good quantities, in a wide selection of commodities. It is anticipated that individual sales this year may be on a slightly higher plane, and that a better grade of merchandise may be purchased, because of improvement in the purchasing power of the general public, during 1935.

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Busy Lines

Volume of goods being produced and distributed in many lines is the largest in four or five years, says the monthly review of business by the National City Bank of New York. The public is able, it is said, to buy not only more, but also, higher priced goods. Among industries cited as having the busiest fall since 1930 (at least) are those making durable goods including automobiles, household, farm and office equipment and light machinery and tools.

Commodity Prices

	Latest week	Previous week	Same week last yr.
Cattle	$6.10	$6.15	$5.00
Hogs	8.60	8.75	8.25
Copper, lb.	.09¼	.09¼	.09
Cotton, lb.	.1180	.1135	.1260
Rubber, lb.	.1325	.1313	.1331
Sugar, raw, lb.	.0350	.0360	.0286
Silk, lb.	2.23	2.18	1.25
Wheat (Man.) bus.	.84½	.85	.79
Coffee, lb.	.06¾	.06¾	.09⅝
Weekly Indices			
N. Y. Annalist	127.4	128.4	116.2
Fishers'	85.0	85.0	78.9
N. Y. Journal of Comm.	81.4	80.3	76.1
Crumps (Brit.)	68.3	68.5	63.7
U. S. Labor	80.3	80.7	76.2
Canada (D.B.S.)	72.4	72.8	71.1

Monthly Indices	Latest month	Prev. month	Same last year
Canada (D.B.S.)			
Retail (Sept.)	79.3	79.4	78.8
W'sale (Sept.)	72.3	71.6	71.9
U. S. Labor (Sept.)	80.6	80.5	77.6
Gt. Brit. (Sept.)	69.9	67.6	65.7

Note: Indices on all base 1926 = 100. British index is Economist converted to 1927 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lb., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15. New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; select bacons, Toronto.

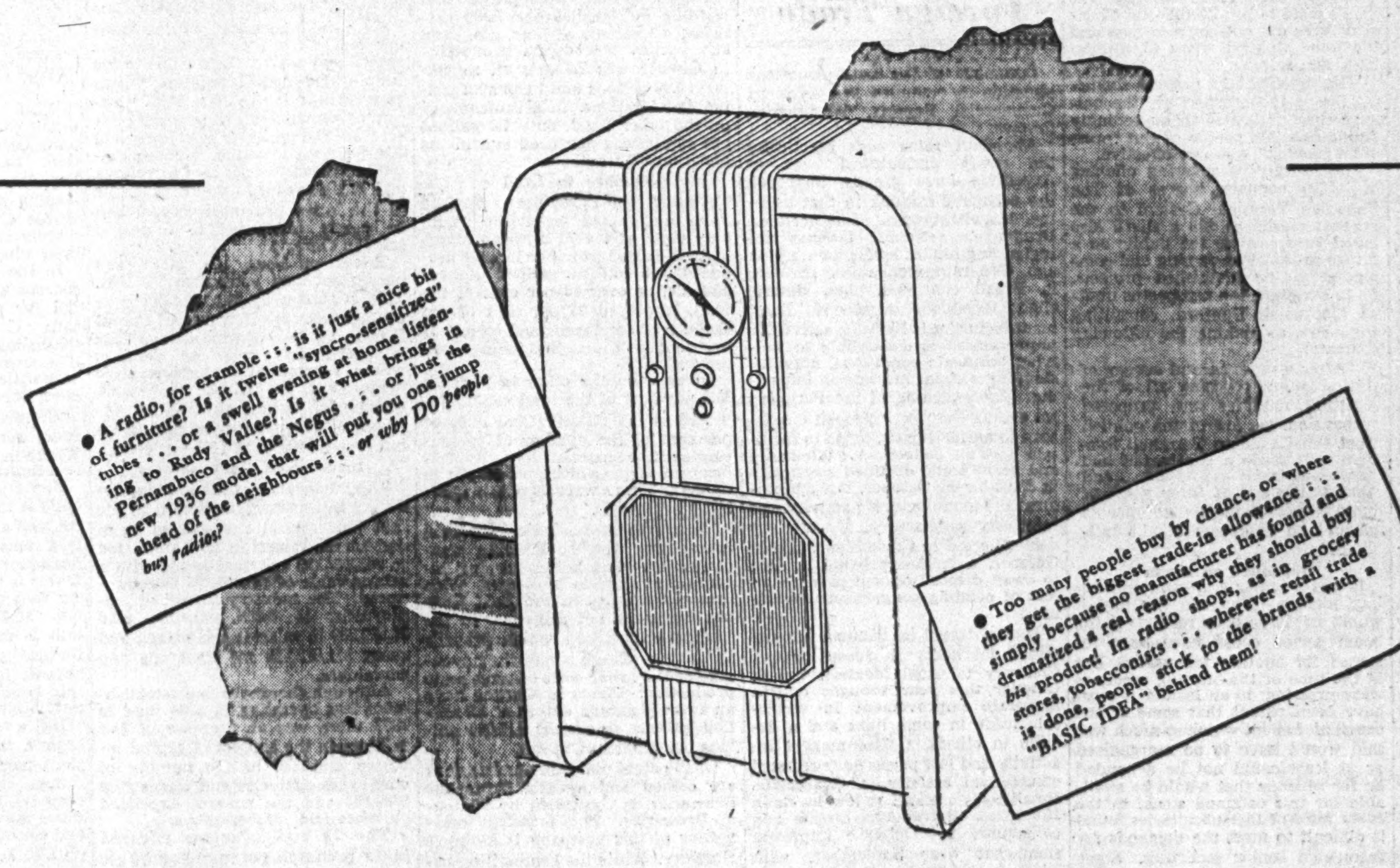
HOT SHOT
ANTI-FREEZE ALCOHOL
IS MORE THAN JUST ALCOHOL

HOT SHOT spells "fair and warmer" to your radiator when the weather is loudly calling cold and colder.

It made a host of friends last Winter . . . it is protective as well as efficient . . . non-corrosive, with retarded evaporation . . . does not clog, gum up or injure the radiator . . . economical, too!

For Sale at Garages and Filling Stations
Product of
GOODERHAM & WORTS, LIMITED
Canada's Oldest Distillery
Established 1832

What is the
"BASIC IDEA"
behind your product?



● A radio, for example : : : is it just a nice bit of furniture? Is it twelve "syncro-sensitized" tubes . . . or a swell evening at home listening to Rudy Vallee? Is it what brings in Pernambuco and the Negus : : : or just the new 1936 model that will put you one jump ahead of the neighbours : : : *or why DO people buy radios?*

● Too many people buy by chance, or where they get the biggest trade-in allowance : : : simply because no manufacturer has found and dramatized a real reason why they should buy *his* product! In radio shops, as in grocery stores, tobacconists . . . wherever retail trade is done, people stick to the brands with a "BASIC IDEA" behind them!

Find it...and your cost-per-sale goes down!

What is a BASIC IDEA?

It is something in your product or the use of your product that forms an emotional link with a human need . . .

It is the difference between "buy our nice white perfumed soap" and "romance comes to the girl who avoids cosmetic skin". . .

A basic idea sets your product apart from its competitors . . . gets sales action!

A radio, a tire, a cake of soap . . . these are familiar things. Yet millions of dollars are wasted every year telling people about these products in terms they do not want to listen to!

The problem is to find the one outstanding idea behind your product, and play it all the way across the board.

This company's success is based on just this thing : : : on a proven ability to FIND the successful sales idea, to USE it dramatically, and to KEEP ON USING IT!

Are you assured of a basic idea in your 1936 advertising?

"Basic-idea" advertising for products and services such as those below (a partial list only) has made the J. Walter Thompson Company the most vital, the fastest growing agency in Canada today:

Chase & Sanborn's Coffee · Cream of Wheat · Cutex Manicure Specialties
Fleischmann's Yeast for Health : ergens Lotion : Kraft-Phenix Products
Lux Flakes : Lux Toilet Soap · Magic Baking Powder · McCormick's Biscuits
Nash and Lafayette Cars · Odorono · Pond's Creams and Powders
Pyrex Ovenware : Rowntree's Chocolate : Swift's Premium Ham & Bacon
Swift's Jewel Shortening · Dr. West's Tooth Brush · Windsor Duotowls
Wrigley's Gum.

J. WALTER THOMPSON COMPANY LIMITED
Advertising

Directors Disavow Can. Terminals Bonds

Bond and Stock Issues of 1930 Made Without Knowledge of Five

Five former directors of Canadian Terminals, Ltd., are advertising that bond issues made by the Canadian Terminal System back in 1930 were issued without their knowledge or consent.

Under dates from November 1 to 11, 1935, R. B. Hutcheson, G. L. Laffoley and Col. F. McRobie, of Montreal, Louis Cote, of Ottawa and A. E. Warren, of Winnipeg, state that they have just become aware that notices and circulars describing the issues are "alleged to have been issued." The offerings complained of are as follows:

$2.5 millions 6 per cent dollar for dollar gold bonds series A, to be dated June 1, 1928.

$12.5 millions 20-year collateral trust sinking fund gold bonds 6 per cent series AB, to be dated July 1, 1930.

30,000 no par value common shares at $35 a share.

Big Doings

This is apparently another chapter in the meteoric career of T. A. Neely, who used high pressure salesmanship and the holding company device to sell to the general public bonds, debentures and stocks of parent company and of subsidiaries to a total of many millions of dollars.

As a result he created with part of these funds a number of companies which he controlled without any substantial investment of his own beyond what the actual financing operations enabled him to make. He created large terminals in Montreal and Toronto, bought up bakeries, departmental stores and cut a wide swath on the public's money while it lasted. The fixed assets thus created still exist but appraisals of assets were then extravagantly high and bond and other issues have had to be sharply trimmed in reorganizations, receiverships and bankruptcies since then. The balance sheets, prospectuses and selling literature sent out under his auspices during the financing period would probably not be legal under the Dominion Companies Act as it stands today. Directors would share responsibility for such documents if they knew of them, and the law now requires them to advertise the fact if any issue or statement has been put out without their approval or consent.

"Rabbit" Financing

T. A. Neely was really a financial conjurer. He played the "rabbit" trick before the Canadian public for about ten years and with the greatest rapidity from about 1925 to 1931. When selling of securities slowed with one company he pulled another out of the hat and sold securities of the new company. His plans had a grandiose quality very taking to unsophisticated investors and he himself doubtless believed he could pull off the mighty stunt of building up a big business, transportation, storage, industrial and financial empire out of other people's money and still retain control for himself. He convinced many well-known Canadians, got them on his directorates and behind that screen directed security-selling.

Mr. Neely's sales organization, Willison Neely Corp., had a technique for making the various issues offered to the public seem safe. It therefore drew into the net of the ultimate heavy losses, thousands of investors who thought they were investing and not speculating. Company after company thus formed has gone into receivership or bankruptcy, has been reorganized or abandoned. Some of them may prove to have distinct possibilities under other auspices with liabilities sharply written down by bankruptcy or reorganization or with bonds turned by consent of bondholders into income securities. But most of them are now regrettable ruins whose only value may be as a warning to those who once were attracted by them.

Plans That Failed

At the end of 1930 T. A. Neely controlled 13 companies which were then functioning and five companies in course of financing. The last five companies, in the barren financing days of 1931, 1932 and 1933, did not come to anything but they would have joined the group if financing had remained as easy as it was prior to 1930. He planned a gas and coke project for Toronto, a coal dock for Port Arthur, an elevator for Kingston, a gas and coke plant for Fort William and an elevator at Owen Sound. The latter was a going concern but Neely failed to get control.

Willison Neely Corp., of which Neely had in 1930 100 per cent ownership, sold all securities of Canadian Terminal System but it had only 15 per cent control of Canadian Terminal System by 1931 whereas Neely personally had 50.7 per cent control of outstanding common stock. The assets of Canadian Terminal System were chiefly securities and controlling shares of stock of subsidiaries such as Montreal Debenture Corp., Montreal Property Corp., Montreal Rail & Water Terminals, Collingwood Terminals, Canada Housing Co., Municipal Bankers Corp., National Building Co., Canadian Rail & Harbor Terminals, Canadian Terminal Steamships and Ontario Bakeries, as well as control of the five uncompleted projects referred to. Mr. Neely and his security-selling companies—Willison Neely Corp. and Willison Neely Montreal, Ltd., wholly owned subsidiary—also had a major hand in selling securities of or organizing City Development Co., General Construction Co., Canadian Department Stores and others.

Avoids Bankruptcy

The shares by which control was held of these companies were worth very little in most cases because profits were seldom sufficient for dividends on them. The shares and senior securities of various companies held by Canadian Terminal System at the end of 1930 were not worth one-fifth of the book value shown. Without the reorganization by which the bonds became income bonds, bankruptcy would have been inevitable. The financing of Canadian Department Stores was not a success though the constituent departmental stores had been old-established companies in the various towns and cities of Ontario.

Imposing Board

The operations now disavowed by five former directors occurred in 1930 when the Willison Neely Corp. and its subsidiary were very active in selling six per cent Series "A" bonds due 1948 and six per cent Series "AB" bonds due 1950. Prospectuses show the following directors:

A. E. Warren, vice-president Canadian National Railways (now disavowing knowledge of or consent to the issue);

John McMillan, general manager C.P.R. Telegraphs and vice-president Montreal Rail and Water Terminals;

G. L. Laffoley, president Montreal Board of Trade 1927 and general manager Mark Fisher Sons & Co. (now disavowing consent);

Col. Robert Starke, president Dominion Transport Co.;

Louis Cote, K.C., (repudiating knowledge of issues);

Graham Curtis, president Montreal Rail & Water Terminals;

J. M. Robertson, director Power Corp. of Canada;

Hon. E. C. Drury, former Premier of Ontario and president Collingwood Terminals;

T. A. Neely, director Montreal Rail & Water Terminals and of Continental Terminals, New York;

Harry Price, vice-president Collingwood Terminals and resigning from board on ground that sufficient information was not published about the company;

M. R. Twomey, president Twomey Management Corp.;

T. W. Foran, president Maple Leaf Insurance Agencies and resigning when Mr. Price did;

R. B. Hutcheson, notary public; and

Major P. A. Curry, Canadian General Manager White Star Line.

Now some excellent business men believed there was a place for the terminal and elevator companies and that was why some of them were induced to go on the board. The enterprises did not "pan out" as well as they hoped. It is doubtful if the directors knew how heavily the enterprises were being loaded on the financial side.

The prospectus states that first mortgages on improved properties and bonds and debentures, which are a legal investment for insurance companies, would be behind the six per cent A bonds. It states that the trust deed securing the bonds had the certified approval of the board of directors and it names ten companies controlled by Canadian Terminal System. A sinking fund of one per cent was to start in three years.

The prospectus offering $12.5 millions of Canadian Terminal System six per cent Series AB bonds dated July 1, 1930, and due 1950, said also that the bonds were a legal investment for Canadian life insurance companies. It said the Canadian Terminal System was one of the largest terminal utilities in the world. It was going to use the funds to complete the purchase of Great Lakes Elevator Co. at Owen Sound, build a four million bushel grain terminal at Kingston and modern coke plants at Toronto and Fort William. The assets behind the bonds were to be $18 millions. These structures did not come to pass and the issue stopped when $1 million had been sold.

"Giving effect to present financing," says the prospectus, "the balance sheet indicates an exceedingly strong financial position." But "present financing" was not effective.

The prospectus covering offering of 30,000 common shares of The Canadian Terminal System to the general public at $35 a share also based its appeal to the public on a future prospect of owning and completing all its unfinished projects. As to earnings, the prospectus quoted Moorer & Dunford, consulting engineers, as making the following estimate:

> "After a most careful survey of the situation covering all of the existing facilities and proposed expansion, we are of the opinion that the Canadian Terminal System will show a substantial and increased profit each year....and that at the end of three years of unified operation the net profits should be in excess of $1.5 millions."

Depended on Boom

It was a pretty and even enthralling picture. Who can say that it would not have been realized if the boom period could have been resumed for another ten years? But at the time of the offering creditors were pressing; to an insider it must have been patent that some of the companies about which so much was said would have to be reorganized or at least could not be depended on for revenue that would be available for this common stock, in the event most of the subsidiaries found it difficult to meet the demands for their own senior securities. Some of them had been denuded of funds and marketable securities to help in the financing of other companies.

It now appears that five directors at least did not know that these securities were offered or the terms of their offering. A majority of the board must on this showing have met, and a portion of the board have been unaware of what was done. The disavowal has awakened interest in the story of these companies and "The Street" is wondering if another chapter will be written.

Scotia Light Plans to Issue Block of Stock

From Our Own Correspondent

MONTREAL.—Approval has been given by the Board of Public Utilities to the issue of $366,100 of 6 per cent preference shares by the Nova Scotia Light and Power Co.

The company has stipulated in its application to the Board that the shares be sold for such price as would yield a total of not less than $322,720, the money to be used for actual capital expenditures.

The Board ruled in approving the issue that the price for each share be not less than $96.

It is anticipated that in the event of the stock not being taken up by the shareholders, as called for under the Nova Scotia Companies Act, a public offering will be made by Royal Securities Corp.

CHANGE IN SET-UP C.N.R. TRUSTEE BD. SEEN AT OTTAWA

Government Contemplates Early Retirement of Present Members

From Our Own Correspondent

OTTAWA.—Despite official denials, reports of a reorganization of the Trustee Board of the National Railways are substantially true.

The government contemplates the early retirement, on a voluntary basis, of the present trustees and their replacement by new men.

New Set-up

Indeed, it would occasion little surprise if the ministry sought to alter the present set-up in such a way as to bring it more into line with the old order of a board of directors. This might be accomplished either by changing the name of the governing body or by enlarging the number of trustees.

Many names are being suggested for the post now occupied by Hon. C. P. Fullerton, chairman of the trustee board. The one most frequently mentioned is that of S. J. Hungerford, now president in control of operation.

Naturally, any change in the structure of the trustee board must await legislation at the next session of parliament.

JOHNSTON STORAGE REVENUE INCREASES

Improvement Shown in Working Capital Position

Continued improvement in operations is reported by Johnston National Storage Ltd. of Vancouver during the year ended July 31 last. Gross revenue for the year showed an increase of $20,000 or 11.1 per cent and operating profit an increase of 19.3 per cent.

Despite this increase in earnings the company reports a deficit of $2,227 after all charges as compared with a surplus of $251 in the 1934 fiscal period. This is largely due to increased provision for depreciation and income taxes. Deficit account at July 31, 1935, stood at $14,307.

The balance sheet gives effect to the exchange of seven per cent preference stock for five per cent first mortgage bonds, which was made last May. The original issue of preferred shares amounted to $250,000, but this had been reduced by sinking fund to $228.600.

At the time of exchange, arrears on preferred dividends were wiped out in consideration of one share of common stock for each $20 of accumulated dividends. At the first of this year arrears had stood at $10.50 per share. Common shares for this purpose were donated by Elmer Johnston, president. Of the 25,000 common shares authorized there are 12,506 outstanding.

Working capital at $25,587 shows improvement over the previous year when it amounted to $16,074. Current assets total $61,066 and current liabilities $35,479.

Foreign Trade

Summary of the Latin-American situation as compiled last week by Commercial Reports, Washington, follows:

Abundant rains over practically the entire agricultural area of Argentina have greatly improved the economic outlook in that country. Notwithstanding some declines, Uruguayan economic indexes are registering higher levels than a year ago. General merchandise turn-over in Brazil continues high, despite slight recessions in specific lines; manufacturing is likewise active. No improvement is discernible in Bolivian economic conditions, notwithstanding a slight increase in importing. Strengthening of the Peruvian sol during October, although of concern to agriculturists, tends to facilitate foreign collections. Wholesale and retail trade declined seasonally in Ecuador in October, but agricultural and manufacturing activity was relatively satisfactory. Uncertainty was reflected in Colombian trade in October, a tendency being evident to await disposition and possible effect of pending congressional measures.

Tourist travel in Panama has declined markedly in recent weeks. Contrary to usual Mexican trends, October this year brought only a moderate improvement in wholesale trade in some lines and a decline in others. Coffee market inactivity and low prices have reduced commercial activity in Guatemala. Retail sales are still at low levels in Honduras. Salvadoran credits and collections in October improved somewhat over September, with general business slightly more active. A foreign goods shortage, combined with rising prices, is becoming noticeable in Nicaragua.

North-Western Utilities Ltd. Keeps Edmonton Franchise

Legislature's Extension for Ten Years Holds — City Council Does Not Back Up Mayor's Plan to Purchase

From Our Own Correspondent

EDMONTON.—Despite efforts of Mayor Joseph Clarke, of Edmonton, to get the gas franchise of the Northwestern Utilities into the hands of the city and to run it as a public utility, the company has another ten years at least in which to do business on the terms of the old agreement, with modifications as to length of franchise. The mayor's pressure on behalf of his proposals to purchase the franchise is not likely to succeed.

In his civic campaign for re-election, Mayor Clarke is again stressing his contention that the city stood to gain greatly by the operation of the gas company as a civic property. There is no possibility now of the purchase being made before the end of another five-year term.

Franchise Extended

At the last session of the provincial legislature, in February, 1935, the gas franchise was amended by extending the exclusive features of the agreement for ten years. The present status of the matter is therefore similar to that which existed before the mayor's introduction of his purchase proposals.

Soon after his election to office, in January, 1935, Mayor Clarke introduced his plan to the city council, where it was received unfavorably. He said the company's franchise could be bought for around $3 millions. H. R. Milner, K.C., president of the North-western Utilities Co., declared in reply to this statement, that it would take nearer $7 millions to buy the franchise.

The Edmonton gas franchise was originally granted in November, 1915, to the Northern Alberta Natural Gas Development Co. In 1923 the franchise was assigned to North-western Utilities Limited and it was in that year the plant of the company was erected.

The franchise was for twenty years, at the end of which time the city had a right to purchase at going concern value plus ten per cent less depreciation. If that right was not exercised the franchise continued for a further period of five years when the city's right to purchase again revived, and so on indefinitely.

Pays City 5 Per Cent

During the first twenty years the franchise is exclusive but the company paid to the city five per cent of the revenue derived from the sale of gas in the city. During the extended period of 10 years the company continues to pay the five per cent to the city. This franchise continues exclusive until November, 1945, when the city again will have the opportunity to purchase. If it fails to do so the franchise is automatically extended in perpetuity subject to a reviving right at the end of each five-year period of the city to purchase. After 1945 the franchise is non-exclusive and the company is relieved of its obligation to pay the five per cent.

The company is reported to be in a prosperous condition. It has 11,000 houses, business places and public buildings in a city of around 85,000 population as customers for its gas supplies. Last year the revenue derived by the city from the gas company was $40,914, which represents five per cent of the revenue of the concern from the sale of gas within the city of Edmonton.

Under its franchise the company has a monopoly of the sale of natural gas in its area of operation and it is not likely that, even if this feature were not present in the agreement, any other company, or the city itself, would undertake to duplicate the pipe lines that now carry the fuel to the consumers.

More Beer

Sharp Increase in Output Shown in 1934 With Quebec Holding Undisputed Leadership

Beer consumption in Canada is mounting. At least production statistics of the brewing industry would indicate such a development.

Output of the Canadian brewing industry in 1934, according to figures released recently by the Dominion Bureau of Statistics showed a substantial increase over the previous year. Total value of products produced was $36.3 millions. This represents a gain of $5.4 millions or 17 per cent as compared with 1933.

Full strength beer, ale, stout and porter were the main items of production. The output amounted to nearly 46.2 million gallons valued at $35.3 millions. The increase in volume of output over 1933 was approximately 8.6 million gallons and in value almost $5.6 millions.

For every man, woman and child residing in Canada there was produced 4.2 gallons of beer, ale, stout and porter. Per capita production in Quebec was 7.3 gallons, in Ontario 3.49 gallons and in British Columbia 5.4 gallons. In Saskatchewan, on the other hand, only 1.2 gallons per capita was produced and in the Maritimes 0.9 gallons.

Quebec in Lead

Among the provinces, Quebec holds undisputed leadership. With only eight of the 73 brewing plants in Canada this province in 1934 produced 22.3 million gallons of beer and ale, or over 48 per cent of the total, employed 35 per cent of the number of employees and almost 31 per cent of the capital engaged in the industry.

Ontario, on the other hand, with 33.6 per cent of the total capital invested in the industry and over 35 per cent of the number of persons employed, accounted for only 26.9 per cent of the volume of output in Canada. There were 30 plants operating in Ontario.

The above figures indicate to some extent why Quebec brewing companies have had better earning records than Ontario breweries. With fewer companies in the field Quebec firms are not subjected to the intense competition which prevails in Ontario. There is also the advantage of the lower costs of large scale production. Plants in Quebec have an average annual output of 2.8 million gallons as against 415,000 gallons per plant in Ontario.

Of the eight plants in Quebec, four are owned and a fifth, Frontenac Breweries, is controlled by National Breweries. The principal competitor of this company is Molson's Brewery. While the competition between these two companies is keen it is understood that friendly relations exist between the two rivals.

In Ontario productive capacity would indicate an excessive number of breweries, 30 being in operation during 1934. With capacity far in excess of consumption, competition is intense and in many instances price cutting has been reported. Brewing Corp., the principal company, owns nine plants. Its principal competitors are Labatts, Walkerville and Canada Bud breweries.

The only advantage which Ontario breweries enjoy over their Quebec neighbors is the higher price which they receive for their products. While production in Ontario was 10 million gallons less than in Quebec the value of output at the factory was only $17,500 less. Considerable of this additional value, is, however, eaten up by higher taxes.

Big Increase in Ontario

As would be expected the most marked increase in production was shown by Ontario. This is due to the beer-by-the-glass legislation which was put in force in July, 1934. Output of Ontario brewing plants increased 50.4 per cent in volume and 36.4 per cent in value. Quebec output increased 14.6 per cent in volume and 12.1 per cent in value. The rise in the latter province's output can be partly attributed to increased sales in Ontario.

Prices of beer, ale, stout and porter declined somewhat in 1934. This is shown by the smaller percentage increase in value of output than in volume of production. This is particularly true of Ontario, where substantial reductions were made. For the whole of Canada volume of output showed an increase of 22.9 per cent as against an increase in value of 18.8 per cent.

Invested Capital Increases

The importance of the brewing industry in Canada is reflected in the fact that capital invested in fixed and current assets in 1934 amounted to $58,747,130 and that goods with a selling value of $36,355,198 were produced. The industry furnished employment to 4,286 persons, paid $5,592,389 in salaries and wages, and spent $11,612,712 for materials and containers.

Although there was one establishment less operating in 1934 than in 1933 there was an increase of $1.4 millions in the amount of capital invested and 130 in the number of employees. Salaries and wages rose $282,862 and the amount expended on materials $2.2 millions.

The 73 establishments engaged in the production of malt liquors are located by provinces as follows: Nova Scotia two, New Brunswick two, Quebec eight, Ontario 30, Manitoba six, Saskatchewan nine, Alberta five and British Columbia 11.

Beer Production 1934

	Gallons	$
Alberta	2,978,018	2,775,178
British Columbia	3,909,574	2,636,297
Manitoba	2,351,807	2,184,698
Maritimes	956,027	856,795
Saskatchewan	1,161,443	1,263,833
Ontario	12,457,976	12,830,350
Quebec	22,349,814	12,847,803
Total for Canada	46,170,359	35,300,112

Quebec Woos Soviet

Hon. T. D. Bouchard's Parley With Soviet Ambassador and Argentine on Trade Viewed as Political Measure

From Our Own Correspondent

MONTREAL. — Hon. T. D. Bouchard, Quebec Minister of Municipal Affairs and Trade and Commerce, has been conducting parleys with the Soviet Ambassador at Washington. The objective is an exchange of Quebec butter, cheese and condensed milk, for Soviet coal and chemical fertilizer.

Claims Monopoly

His venture on the Soviet Embassy front, Mr. Bouchard frankly admitted, had been made following his realization that "a monopoly controls chemical fertilizer in this country; it is protected by tariffs, and these have made it master in the nation." The result was that "farmers pay dearly for chemical fertilizer here today." And if Russian coal is brought here, he declared, "the price of coal will go down, too, for it is also controlled by a trust!" The embargo against coal from the U.S.S.R. had "protected that trust, to the detriment of the people."

The activities of Hon. T. D. Bouchard in respect to a Quebec-Soviet trade agreement, are regarded as purely political. Before anything could be done, it will be necessary for the Dominion Government to rescind the restrictions passed some time ago. Until this happens nothing is expected to develop out of the Hon. Mr. Bouchard's "parley."

In addition to the Soviet Trade parleys, Hon. T. B. Bouchard has been negotiating with the representative of a Buenos Aires bank in regard to an exchange of Quebec newsprint for Argentine goods. According to the bank's representative, Mr. Bouchard reports, the Argentine could use about $1.5 millions worth of Quebec newsprint annually. In exchange for this the province would import corn, wool, leather and linseed oil from the South American country.

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In the Mail

Rebating Not Widespread

Editor, The Financial Post,—

I am writing to offer friendly and what I believe is constructive criticism of an article in your issue of November 9 under general heading "Rackets." In the absence of any attempt to explain why split commissions and rebating are pernicious if not illegal practices, the effect of the article could only tend to promote rather than discourage what it is obviously intended to condemn.

The only impression one can gather from the article is that these practices are more or less general. If this were so it could only serve as a suggestion to many, who had not previously made any such demands, that they were overlooking an opportunity to their disadvantage.

As a matter of fact, so far as insurance is concerned and speaking from my own experience over a period of 30 years, I would say that such demands are a very rare occurrence.

J. M. MORRIS.

Montreal, P.Q.,

Marketing Control

Editor, The Financial Post,—

At this time, it would seem that every effort should be made to have the unsound and uneconomic Marketing Act repealed.

The law of supply and demand, over a period of time, always regulates prices, thus increasing or decreasing production, which is far sounder than creating artificial prices, and leaving unsold surpluses.

Various marketing schemes have been tried in Canada and other countries, in the past, but sooner or later these have proved failures and been abandoned.

There is now a federal poultry breeding policy, which no doubt has been conceived with the best intentions, but which is just another form of unsound regulation, against the interests of the industry, and this should also be abandoned or modified.

All the various costly regulations of this sort are against the interests of both the producers and consumers.

Such policies of over-regulation in agriculture, also seem to apply to most industries in Canada, and are leading to an alarming parasitical growth.

This being the case, should not a determined effort be made to reduce unnecessary governmental regulations that are so costly to the country, and are a brake to progress.

Yours, etc.,
L. F. SOLLY.

Westholme, B.C.,
Nov. 4, 1935.

Newsprint Impassè

Editor, The Financial Post:

Apropos of the letter of J. L. Ralston, K.C., in your issue of Nov. 2 on the position and views of the Canadian newsprint industry in regard to the Great Lakes Paper Co. deal. What I, as a simple man in the crowd, don't understand is that J. L. Ralston and his predecessor representatives seem to fail so obviously in carrying conviction with their arguments. In none of their representations, judging by the results of their efforts, do they appear to be convincing. In writing this, I would not wish to be unfair to Mr. Ralston who is a comparatively late comer into the situation. Before him, we had leading bankers, an ex-finance minister, leading industrialists, the results of whose efforts to date seem to be merely to put the blame on somebody else.

In the meantime, our natural resources are being squandered. Capital for years has received no return. Companies are remaining in the hands of liquidators and protective committees. The provincial authorities indicate moves which seem likely to be effective but never eventuate. Negotiations of almost every sort seem to prove abortive. Where in the name of fortune is the real fault?

The crux of the difficulty apparently is that the buyers of newsprint contend a given cost to manufacture is a reasonable amount while the manufacturers contend differently. If this is the case, it surely is a matter that can be definitely thrashed out. If the manufacturers' contention is correct, then we have the ironical situation where our neighbors to the south are aggravating in this country a condition they will not tolerate in their own.

It is a radical move to suggest and such a move may have repercussions more disastrous than the conditions it may at first serve to remedy, but perhaps an effective move would be for labor to strike and consequently for newsprint supplies to be made non-available.

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Cancer of the Breast?

Many women who fear that they have breast cancer are worrying without cause

Most "lumps" in the breast are not cancer. But the dangers of untreated cancer of the breast are so great that every woman owes it to herself to discover the true nature of any lump, or other unusual condition, as soon as she becomes aware of it.

Breast cancers are being treated successfully—frequently without disfigurement. It appears, from the experience of a large number of cancer experts, that about 70 per cent of all cases, when treated properly and before the cancer has spread beyond the breast, show no return after five years. The chances of permanent cure are greatly increased if the condition is treated in the very earliest stage.

Breast cancer occurs at almost any age but mainly among women over forty. After a woman reaches the age of thirty, careful examination of the breasts should always be a part of her periodic health examination. Husbands should urge their wives to have examinations regularly.

Whenever a lump is discovered in the breast, a careful and exact study should be made to determine whether it is definitely cancer, possibly cancer, or not cancer at all. Your physician will probably recommend that the diagnosis be made by a specialist. In its early stages a breast cancer usually yields to expert use of surgery, with or without the help of X-rays or radium. Safety lies in prompt action.

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Power Corp.

I hold some of the 4½ per cent bonds of Power Corp. of Canada and as I am now checking over my list of investments, I would appreciate your views on this security.

Power Corp. of Canada recorded a moderate improvement in earning power during the fiscal year ended June 30 last, with all interest charges being earned 2.58 times, as against 2.40 times in the preceding twelve months. The financial statement for 1935 showed a market value of investments at $23.7 millions, as against $25.8 millions in 1934. The bonded debt of the company amounted to approximately $10.7 millions, as compared with the original issue of $15 millions. So the 4½ per cent bonds appear well secured.

Canada Cement

Can you tell me what tariff protection is afforded to Canada Cement Co. and what, if any, changes have been made since 1930?

How much business will Canada Cement Co. have to do in order to cover its preferred dividend?

How does the present cash position compare with that at the end of 1930?

At present the cement industry is afforded tariff protection through a duty of eight cents per cwt. in the general and intermediate classification, while the preferential duty is five cents per cwt. As a barrel of cement weighs 350 pounds, this protection of the general and intermediate tariffs works out at 28 cents a barrel, compared with 17½ cents under the preferential rate. These rates have been in effect for several years and it is not anticipated that there will be any material change.

It is very difficult to estimate how much business Canada Cement Co. should have in order to earn enough to pay its preferred dividend. Last year the company is understood to have handled about three million barrels of cement. On the basis of present operating efficiency, it is believed that with five million barrels of cement the company could earn enough to pay the dividend. During 1929 the company handled around 10 million barrels.

The cash or liquid position of Canada Cement Co. was stronger at the end of 1934 than was the case at the close of 1930. In 1930, the company had cash, call loans and government bonds totalling $1.9 million, whereas at the end of last year cash and government securities totalled $2.8 million.

Saguenay Electric

Kindly let me have a report on the capital set-up of the Saguenay Electric Co. As I am interested in the bonds, I would like to know if interest has been earned.

The Saguenay Electric is the new name for the Duke-Price Power Co. It is controlled by the Aluminum Co. of Canada, Shawinigan Water and Power Co., and Duke-Price private interests. The 1934 financial statement of the company shows assets totalling $62.5 million, of which fixed assets, less depreciation, amounted to $57.7 million. Working capital has been well maintained, current assets exceeding current liabilities by $1.3 million at the end of last year. Funded debt amounts to approximately $38 million, of which $35.5 million comprise the 6 per cent first mortgage bonds. Capital stock is represented by $21 million of common.

The income statement of the company shows that bond interest has been earned by a comfortable margin for several years past. In the last three years, bond interest has been earned at an average of about 1.30 times after depreciation.

Plans are in progress for the redemption of Saguenay Electric (Duke-Price) first mortgage bonds and replacement with bonds carrying a lower coupon rate. It had been expected that this refunding operation would have been carried out a few months ago, but plans have been held up.

B. C. Pulp

It would be appreciated if you would let me have a short review of the position of B. C. Pulp and Paper. I hold some of the general mortgage bonds, interest on which has not been paid regularly.

B. C. Pulp and Paper has had to contend with difficulties of one sort and another over the past eighteen months. The low price for pulp products, together with unsettled foreign markets, has restricted earning power. The company has asked concessions from its bondholders in the deferment of interest and sinking fund payments. This has helped to build up working capital. Recent reports are to the effect that operations are on a relatively satisfactory basis. In time the company should be able to re-establish its position and to fulfill all obligations in respect to its funded debt.

International Pete

I am considering the purchase of International Petroleum Co. common stock. What do you think of it as an investment?

International Petroleum is well regarded in market circles and many important investors include it in their portfolios. Before purchasing, however, it might be well to wait a few weeks until its financial statement comes out. Its actual earnings are not known. The company has not published a financial statement during its career but is now obliged to under Dominion law.

Ottawa Debentures

I hold some city of Ottawa debentures and would appreciate your opinion of these.

City of Ottawa debentures are regarded as highly as practically any other municipal debenture in Canada. One important reason for this is that Ottawa tax collections are always among the best in the Dominion. Being the seat of government, there is unusual stability of income among the taxpayers.

N. Bawlf Grain

I hold some preferred stock in the Bawlf Grain Co. In view of its present low price, I thought of buying some more stock to average up on my cost. Can you let me have any information on the outlook for the company and earnings on the preferred stock?

N. Bawlf Grain Co. has been hard hit in recent years, like other grain elevator companies in the Western provinces. Earnings power has declined substantially and in 1931 it was necessary to defer dividends on the preferred capital stock.

In the fiscal year ended July 31 last the company reported income equivalent to 5 cents a share on the preferred stock. This compares with 65 cents a share in the previous year. In the last six years average share earnings on the preferred have amounted to around 12 cents. In other years the company has demonstrated a substantial earning power.

In the latest annual report, the president pointed out that the prospects were that the volume of grain available for handling in the company's country elevators during the current fiscal year would be less than last year. So the time may not yet be opportune to buy.

Charles Gurd

As a subscriber to The Financial Post, I would like to report to you on recent earnings of Charles Gurd and Co. Has there been an improvement in the position of the company?

Charles Gurd and Co.'s earning power has been affected by severe competition in the Montreal field. This is reflected in the income statement issued by the company. From 1928 to 1930 the company earned an average of around $200,000 a year. Income dropped thereafter from $136,550 in 1931 to $18,076 in 1934.

The financial statement for 1935 will show the preferred dividend fully earned. About the middle of the year the company acquired controlling interest in the Sterling Beverage Co. of Toronto. It is anticipated that this unit will add to the earning power of the company. Meanwhile the Maritime company has been subject to considerable overhauling and the president reports that this unit is doing business on a more encouraging basis than for the past two years. The parent company, operating in Montreal, has made numerous changes to meet the challenge of competition and the management reports that the organization is in a definitely stronger position than it was a year ago.

Point Grey Bonds

Some time ago I purchased some debentures of Point Grey, B.C. I would like to have your opinion of these debentures.

Point Grey, B.C., is now part of the city of Vancouver and your debentures are obligations of the city of Vancouver. This is a good thing, as suburban municipalities bordering Vancouver are in default. This might have been the fate of Point Grey had the municipality not been incorporated in Vancouver.

Vancouver, of course, has acquired an unfavorable reputation, due largely to the effort of Mayor McGeer to reduce rates of interest on the city's debentures. However, Vancouver's financial position seems to be improving somewhat and it is possible that it may be able to get through the depression without interfering with bondholders' securities.

Claude Neon

Will you kindly let me have a report on earnings and operations of Claude Neon General Advertising? In particular, have you any information on current returns?

Claude Neon General Advertising has experienced a contraction in earnings during the last two years, though in 1934 there was a moderate improvement. Normally this company's earnings run over $500,000 annually, but in 1932 net income dropped to $265,261. In 1933, earnings were only $8,736 and in 1934, $87,643. In order to conserve liquid resources, the company had to pass the dividend on its preferred stock, and, in addition, defer sinking fund on its funded debt.

During the first quarter of 1935 the company reported a moderate improvement in net earnings. Bank loans were repaid in full. The improvement in operating results has been adversely affected by a change in the accounting methods adopted this year. Under the new practice, income from new long term contracts is taken into the books month by month as earned. Previously it was the practice to credit to earnings the gross face value of such contracts, after providing for estimated maintenance and contingencies.

Eastern Dairies

Please let me know recent earnings of Eastern Dairies in regard to its preferred stock and also the prospect of an early resumption of dividends.

During the year ended March 31, 1935, Eastern Dairies earned 46 cents a share on its preferred stock, as compared with 4 cents a share in the previous year. The dividend on this security has not been earned since 1932. Reports are that there has been no material change in earning power of the company during the current year and consequently it is not expected that the company will be able to do anything in the way of resuming dividends on its senior capital stock in the immediate future.

Dryden Paper

Have you any information on earnings of Dryden Paper over the past year? I hold some of the company's bonds and am anxious to know whether or not bond interest has been covered.

For the fiscal year ended September 30, 1934 Dryden Paper operated at only 42 per cent of capacity, while net income was sufficient to take care of bond interest, before making any provision for depreciation or sinking fund. This was an improvement over the returns for 1933 and 1932, but was considerably below the average for the years prior to that time. The financial statement for the 1935 fiscal year is expected to make its appearance in the next two or three weeks. Officially there is no information on earnings. Expectations are that the company will again cover its bond interest, but it is not known whether this will be before or after depreciation.

Anglo-Can. Securities

Kindly tell me whether Anglo-Canadian Securities Ltd. is still in business. Is the $100 par value stock of any value?

If you mean Anglo-Canadian Securities & Investments Ltd., Toronto, it is now defunct. E. G. Clarkson, trustee in bankruptcy has just wound it up after paying a first and final dividend of 14¾ per cent to creditors. As the liquidation did not satisfy creditors in full, there was nothing left for shareholders and the stock is worthless.

If you refer to Anglo-Canadian Securities Ltd., Vancouver, it is in process of liquidation under Henry T. Devine. It is not yet certain what return there will be to shareholders.

Dunrobin Limited

Being a subscriber to your paper I am writing to ask your opinion in regard to Dunrobin Ltd., Distillers at Grimsby, Ont. I am a stockholder and am contemplating purchasing some additional stock. Is a license to distill from fruit in addition to grain very valuable? What are the company's prospects?

Dunrobin Ltd. is very reticent about giving out details of its financial position. The company has been selling stock through agents at various points in Ontario. As to prospects, we cannot say. They cannot be appraised until the public has had experience with the product and show a growing desire to get it. The company's product is not available from the Ontario Government liquor stores as yet. A new lease of life seems to have been given the company recently, possibly as a result of new capital from stock sales. There is possibly a field for brandy manufacture in Canada by an organization embodying the best available experience.

Argentina Bonds

As a subscriber to your paper I would like your opinion of the six per cent bonds of the government of Argentina, due 1960?

Your government of Argentina six per cent bonds of 1960 continue to pay interest. Argentina is the only one of the many South American borrowing governments which has been able to maintain its full debt service throughout the depression. Hence, the security is the best of a bad lot. There has been some improvement in Argentine finances, and there appears to be a good prospect of the country carrying through the whole of the depression with federal debt obligations met.

Investment Analyses

Hydro: Power Bonds

Repudiation Threat to Interest on Four Companies' First Mortgages

Will you kindly give me your view as to the ultimate effect of the Ontario Hydro repudiation of contracts with the Quebec power companies? Is it expected that it will affect the payment of interest of the first mortgage bonds of the companies? Being a resident of Australia, I find it difficult to get a clear understanding of the meaning of the repudiation to the companies.

Complete repudiation and elimination of Ontario Hydro's contracts to buy power from Quebec power companies would affect these firms very seriously.

Ottawa Valley Power Co. depends almost entirely on Hydro contracts for its revenue, and would be unable to pay its first mortgage bond interest.

Maclaren-Quebec Power Co. gets part of its revenue from James Maclaren Co., newsprint firm, but could not pay its first mortgage bond interest without at least a major part of the Hydro revenue.

Beauharnois Light, Heat & Power Co., the operating firm, has support from Montreal Light, Heat & Power Consolidated, which controls Beauharnois and has contracted for substantial blocks of power. Without any Hydro revenue, however, it is doubtful whether Beauharnois could meet its first mortgage bond interest.

Gatineau Power Co. sells a good deal of power to newsprint firms associated with it. The company might be able to meet its first mortgage bond interest without the Hydro contracts.

It is quite possible, of course, that in settlement of the contracts, all of the companies may get some Hydro revenue. The Gatineau and Beauharnois companies seem to stand in the best position, however, because they have other large sources of revenue. Still, their ability to pay first mortgage bond interest will depend to an important extent upon the size of any new contracts they may be able to arrange with the Ontario Hydro.

Both Ottawa Valley Power Co. and Maclaren-Quebec Power Co. require very substantial contracts with Hydro to be able to meet their first mortgage interest.

You will find the Hydro contract situation will be reported extensively in The Financial Post as negotiations proceed. Unfortunately, no one is able to forecast what the ultimate outcome will be. While Gatineau Power Co. is striving to get special consideration from the Ontario government, because it built its plants long before the other contractors, there are so many conflicting political and financial interests in the situation that it is impossible to foretell whether one company will be given special treatment, or whether all will be tarred with the same brush.

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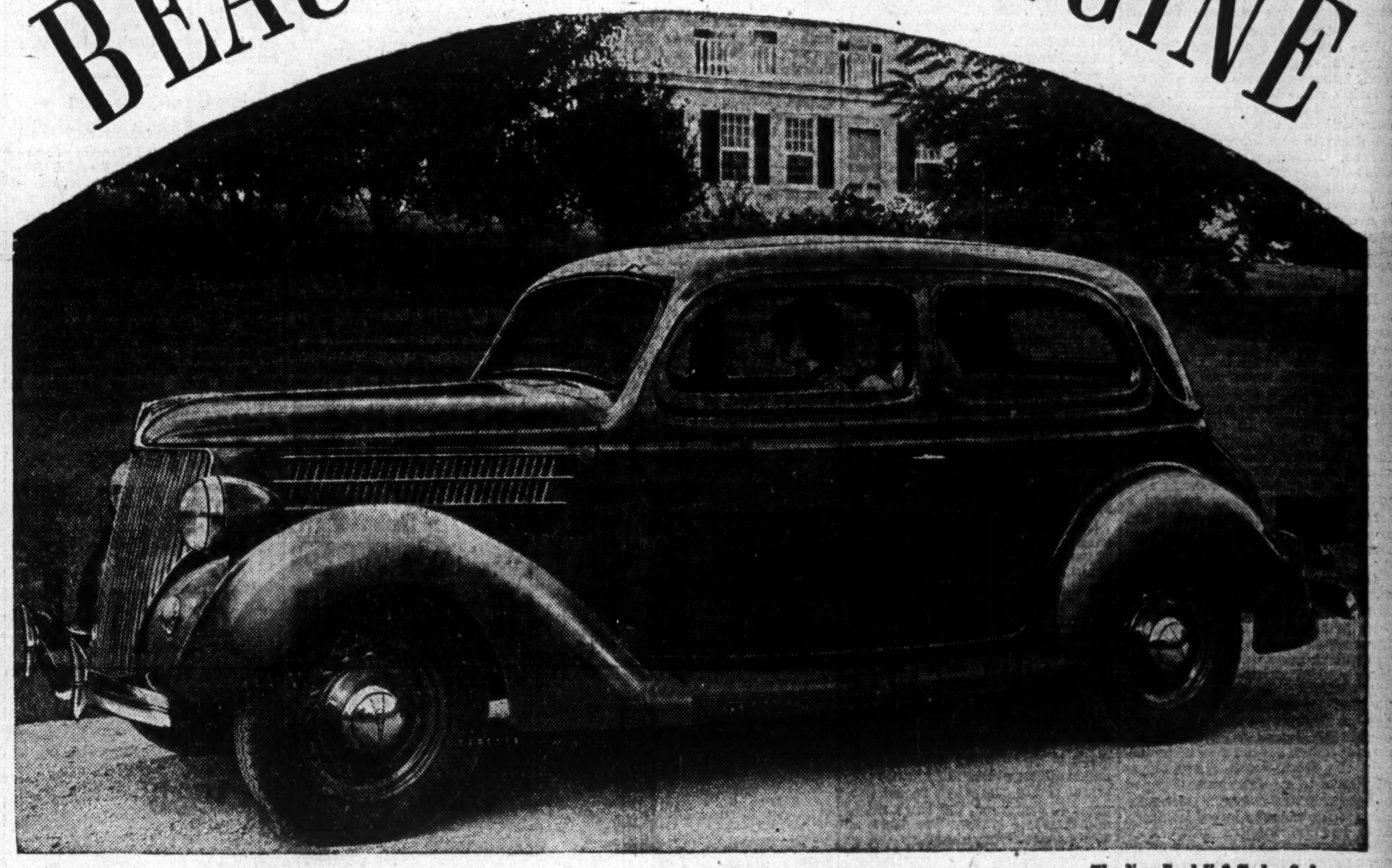
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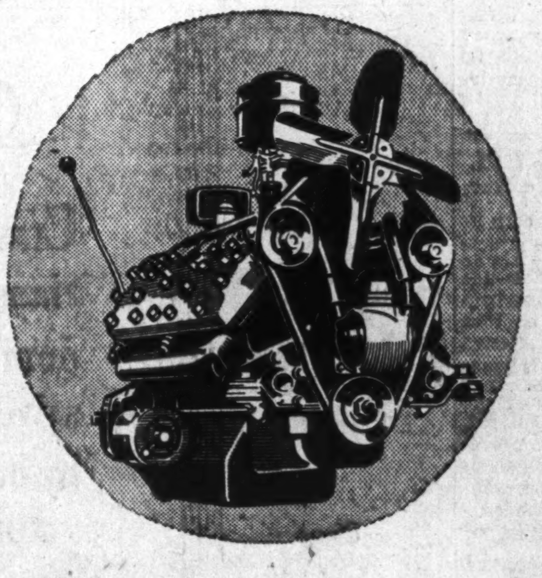

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Arrears of Dividends

Of 120 Preferred Stocks With Dividend Arrears Only One-Sixth Making Payments; Eight Stocks With Hopeful Outlook for Arrears

BY C. W. STOLLERY

Possibilities

Over a hundred Canadian preferred stocks are in arrears of dividend — some of them considerably so.

Naturally with continuance of better times the eyes of the investors are going to turn to the most likely of these to start paying off back bills.

But choosing is no simple task. The stock market offers some indication, but such evidence is not sufficient in weighing all the pros and cons.

In the accompanying article some of the points not always visible to a surface inspection are brought to light in regard to eight leading "preferreds".

There are some 120 Canadian companies with accumulated arrears of dividends on their preferred shares. Of these, about 100 are making no current dividend payments.

There are at least 22 of these six-score companies that are making payments currently on their preferred shares. In some cases the full current dividend is being paid, although possibilities of liquidating arrears seem distant. In others, only part of the current dividend requirements are being met, so that arrears are accumulating. A few are paying the full current dividend rate and also liquidating arrears.

Eight Varied Issues

Eight widely varied preferred stock issues carrying a burden of dividend arrears are discussed in this article. They include two issues which are making no dividend payments at all: Howard Smith Paper Mills six per cent preferred, and Lake of the Woods Milling Co. seven per cent preferred.

Of the remaining six issues, only one, National Grocers preferred, has been reducing arrears of preferred dividends in recent years. On three, accumulation of arrears has halted: Riverside Silk class A stock, Russell Motors preferred and Sherwin-Williams preferred. Two, Simpsons preferred and Canadian Wirebound Boxes class A stock, are still adding to arrears.

Of first importance, the test of the eight companies' management in the depression has resulted in a showing of prompt recovery of earnings with moderate improvement in general business conditions.

Hopes of Improvement

In each of these eight cases, there are hopes of improvement, some of them well founded. This improvement could take the form of resumption of payments; or increased payments, halting accumulation of arrears; or liquidation of arrears.

Realization of these hopes would have the important effect to the investor of increasing income from the shares; and might well raise market values substantially above present levels.

Maximum and minimum earnings on preferred shares in recent years, and arrears of dividends are outlined in the accompanying statistical table. The record indicates that all eight preference issues have the capacity to pay current dividends in full, given reasonable business volume.

Cumulative Feature

The cumulative dividend feature, which all eight of these preferred stock issues possess, is often of questionable value to the investor. Superficially it appears to guarantee that eventually all arrears of dividends are likely to be paid, if they are ever earned. Unfortunately, for the investor, this is not always the case.

The cumulative feature in preferred stock dividends may be of value if a company does not fall too far behind in its payments. Recovery of earnings often leads to payment of arrears in cash.

Pay on Account

Even in some cases where large amounts of preferred arrears have accumulated, the investor sometimes benefits. In the case of Canadian Celanese, for instance, substantial cash payments were made on account of arrears, and then "income funding rights" were issued to make up the balance. In another case, Dominion Coal Co., arrears of preferred dividends were wiped out by giving shareholders twice the face value of their former stock in new preferred shares. They realized a large increase in market value and are getting dividends on all the new stock.

Wiping Off Arrears

In numerous instances, however, accumulations of large amounts of arrears on preferred shares are dealt with in a manner unsatisfactory to investors in such stock. By vote of controlling interests, for instance, a large part of arrears may be wiped out entirely. Or arrears may be "funded" by issue of securities which pay no interest at all. Or, in exchange for arrears, securities paying returns only if earned may be issued.

In the worst cases, shareholders may have to see their arrears wiped out entirely and common stock substituted for their preferred holdings. This usually happens when it is clearly impossible for a company to pay regular preferred dividends, not to mention arrears.

Such a case was B. C. Packers, where the company was recently reorganized by a scheme to exchange all preferred shares for common stock. This was not a plan designed to harm preferred shareholders. It was simply a case of accepting the fact that the company's earnings are erratic. The preferred dividends could not be paid. The simplest way out was chosen: preferred shareholders were offered 80 per cent of the new common shares, giving them command of the major portion of any earnings there may be.

Appraising Values

What the market value and yield should be for shares carrying dividend arrears will always be debatable. Comparatively low yields on arrears-bearing preferred shares is indicative of hopes or expectations that back dividends will be paid. One favorite method used by many stockbrokers to calculate relative values is to deduct the total of arrears from the market value of preferred shares. The net figure remaining is taken as the value placed on the stock itself.

Whether this method of valuation is satisfactory is another debatable point. It is used in the tabulation below. Only, for purposes of comparison, arrears of dividends and market valuations are expressed in percentages in the case of Riverside Silk and Canadian Wirebound class A shares. These are the figures:

	Mkt. value to par	Total arrears on par	Net value to par	Curr. yield
	%	%	%	%
H. Smith	100	27	73	nil
L. of Woods	100	28	72	nil
Simpsons	77	18⅜	58⅝	5.2
N. Grocers	130	35	95	*5.4
C. W. Boxes	71	11½	59½	5.4
Russell M.	92	5	87	*6.5
Riv. Silk	98	5¼	92¾	6.8
Sherwin-W.	103	12¼	90¾	6.8

*Excluding arrears payments.

Explanation of Levels

Howard Smith and Lake of the Woods preferred sell at $100 a share because they have substantial earnings and this leads to expectation of resumption of full current dividends sooner or later.

National Grocers preferred sells at a large premium because there is no likelihood of the stock being called at 110 and the company's hope is that all arrears will be paid in cash eventually.

Riverside Silk and Sherwin-Williams senior shares are close to "par" —which would be $30 a share in the case of Riverside—on the strength of full payment of current dividends and expectations that arrears will be paid sooner or later.

Russell Motors preferred has not recovered to its full par value despite payment of the equivalent of all current dividends.

Simpsons 6½ per cent preferred and Canadian Wirebound A shares are at a substantial discount because only about two-thirds of current dividends are being paid.

Individual Situations

Positions of the eight senior stock issues are summarized individually in the following:

Howard Smith 6% Pfd.

Howard Smith Paper Mills produces a diversified line of paper products, specializing in fine papers. It is not in the deeply depressed newsprint industry.

This year's volume is understood to have been about the same as in 1934, when earnings were well in excess of the preferred dividend of $6 a share. Recommencement of dividend payments is expected to depend largely on this year's final results, and may occur early in 1936.

In 1931, 1932 and 1933, earnings were far short of preferred dividend requirements. Cessation of payments, however, has allowed full maintenance of the strong financial position, and an improvement in working capital.

Resumption of the full current dividend would return a 6 per cent yield at present prices for the stock. Payment of arrears over a 10-year period would mean a yield of about 9 per cent.

Lake of Woods 7% Pfd.

In the depression period, the large earning power of Lake of the Woods Milling Co. has been striking, despite the difficulties of the flour-milling industry. Solely by accumulating earnings, a working capital deficiency of $1,658,000 in 1931 was turned into a surplus of $122,000 this year. Heavy, abnormal losses in 1930-1931 wiped out reserves and reduced the company's surplus. Since then, the preferred dividend has been earned by a wide margin each year, and $1.1 millions has been added to earned surplus.

Only securities senior to the company's preferred shares, $4 millions of bonds are pledged as security for bank loans. These large loans, and the comparative smallness of working capital may lead to further deferment of preferred dividends. There is no question of the company's ability to earn full dividends, but there is a question of when payments will be resumed. The large earning power leads to hopes that arrears will ultimately be paid in cash.

One advantage to buyers of the stock is that non-payment of dividends allows evasion of income taxation. If the company's recent progress is continued, the stock might appreciate in value, like National Grocers preferred, in anticipation of ultimate payment of preferred dividends and arrears. This would allow the holder to obtain his income in the form of a capital return which would not be taxable.

At $100 a share, the stock would return 7 per cent, plus arrears, when payments are resumed. An ultimate 10 per cent yield is not inconceivable.

Simpsons Ltd. 6½% Pfd.

Simpsons Limited did not earn its full dividend of $6.50 on the preferred stock last year, and may not do so in 1935. Satisfactory Yule-tide weather, however, could expand retail sales materially and improve earnings, which have been affected unfavorably at one or two seasons this year by abnormal weather. Past earnings records indicate that the company can earn its dividend, given moderate business improvement, and that arrears of dividends on the preferred shares could eventually be paid in cash. Such payment, however, might take some years.

The company's financial position has been well maintained. Senior charges, however, are substantial. There are bonds and preferred stock of Robert Simpson Co. and some $10 millions of the company's own bonds, outstanding. This very fact, however, would allow a more than proportionate increase in earnings on the Simpsons preferred stock if general business recovery continues.

Resumption of the full dividend rate of $6.50 would return a yield of nearly 9 per cent on the present price of $77 each for the shares. Payment of arrears, even over a 10-year period, could bring a return of 10 per cent or better to the investor.

National Grocers 7% Pfd.

National Grocers, besides being a wholesale grocery firm, directs several thousand individually-owned Red & White stores.

The company recently refinanced its bonds at 4 per cent. Retirement of these bonds at $100,000 annually may retard payment of preferred arrears. The company definitely plans, however to pay the arrears in cash. Even through the depression period, the preferred dividend has been earned in full, and arrears have been reduced.

The high price for the shares indicates the expectation that arrears will be paid in cash. The yield is 5.4 per cent at $130 a share. In calculating the yield, however, the investor should remember that payments of arrears of dividends will represent, in part, at least, a return of any premium above $110 a share paid for the stock. That is, if arrears are paid, the stock may gradually tend to decline to the redemption price of $110 a share. Hence, the buyer of the shares might have to pay income tax on current dividends and on arrears, which would actually be a return of part of the purchase price of the stock.

Can. Wirebound $1.50 A

Canadian Wirebound Boxes is enjoying its share of improved business in the container and box business. It earned the full dividend of $1.50 a share last year, and is also earning the dividend this year with a margin to spare.

Notwithstanding the reduction of the class A shares outstanding to 60,000, from the original 90,000, the company's financial position has been well maintained. The earned surplus, however, is only $38,000. This does not necessarily mean, however, that full dividend payments cannot be resumed. There is a special non-distributable surplus of $77,560, to which the company must add 10 per cent of net earnings each year, until it reaches $500,000. This accumulation of surplus and reduction of the class A shares works to the advantage of investors, in the long run.

The company's earnings record indicates that it could pay the full dividend of $1.50 a share, and that there is ground for hopes that it can earn and pay arrears of dividends in cash. Payment of the full current dividend would mean a yield of about 8 per cent at the present price for the class A shares. Gradual reduction of arrears might mean an ultimate yield to the present purchaser of about 10 per cent.

Russell Motors 7% Pfd.

Russell Motors is indirectly in the cycle and metal manufacturing business, through its shareholdings in other companies. To some extent, also, it is an investment firm.

The company may be earning the full $7 a share preferred dividend this year, although it was not earned in 1934. The company has been paying the equivalent of the full year's dividend of $7 a share. If and when general business recovery continues, it would be reasonable to expect the company to pay off arrears of dividends on the preferred stock as quickly as possible.

Payment of the full $7 dividend would return a yield of 7.6 per cent at current prices for the preferred shares. Any discharge of arrears would be a bonus. If the $7 dividend were considered more secure than it has been in the past year, there would also be some prospect of an increase in the market value of the shares.

The company's earnings record indicates ability to earn the preferred dividends, given reasonably good business conditions. Steady improvement in the company's financial position in the past three years would allow early payment of arrears. There are no securities senior to the preferred stock, which, consequently, stands to benefit directly from any further improvement in the company's affairs.

Riverside Silk $2 A

Riverside Silk Mills is earning and paying the equivalent of the full annual rate of $2 a share on its class A stock. It could discharge the arrears of dividends with little difficulty, if its business maintains the improvement of the past 3 years.

Payment of arrears in cash could raise the present yield of 6.7 per cent to a probable 7.5 per cent. Furthermore, the class A shares carry a participation feature; sharing earnings with class B stock, after 50 cents a share has been paid on the latter.

The company manufactures silk yarns and broad silk. To some extent, recent tariff developments affect the company. Heavy duties on Japanese goods, for instance, raise the cost of the company's raw materials. The precise effect on the company's earnings of changes in protective tariffs is not clear. The company's history, however, shows ability to earn class A dividend by a wide margin, prior to imposition of present tariffs. Recovery of business would apparently be of greater importance to the company than minor tariff changes.

There are no securities senior to the class A shares, and the company's financial position has been well maintained. The prospect appears to be for maintenance of the full class A dividend, and there is a good chance that arrears will ultimately be paid in cash.

Sherwin-Williams 7% Pfd.

In the past year, Sherwin-Williams Co. of Canada has paid $7 a share on the preferred stock, although somewhat irregularly. Since it was announced some time ago that preferred dividend payments would be made in accordance with earnings, these payments indicate that profits have been fairly well maintained. Last year, the company did not earn its preferred dividend in full, and it may not do so this year.

Prices for the company's high quality paints were recently reduced about 20 per cent. This naturally cuts profit margins. Still, growing demand for the company's paint products, as renovation of buildings and the building industry itself gain ground, would tend to offset price reductions. Even with reduced prices, the preferred dividend might be earned on increased volume.

There are no securities senior to the preferred stock. The company has maintained its financial position, and in the past two or three years actually increased its working capital. This was achieved partly at the expense of preferred dividends.

The company's earnings record indicates that substantial recovery in demand and prices for paints could allow the company to cover its dividend by a wide margin. A few good years would suffice to allow full payment of preferred arrears in cash. The yield to the investor at present prices is nearly seven per cent, provided the full current dividend is maintained. Payment of the full dividend, and liquidation of arrears, could, quite conceivably, result in a return of 10 per cent to the investor in the stock at present prices.

Eight Preferreds Hopeful of Arrears

	Howard Smith	Lake of Woods	Simpsons Limited	National Grocers	Can. Wirebound Boxes	Russell Motors	Riverside Silk	Sherwin-Williams
Business	paper	flour	merchandising	foods	containers	steel	textile	paints
Issue	6% pfd.	7% pfd.	6½% pfd.	7% pfd.	$1.50 Cl. A	7% pfd.	$2 Cl. A	7% pfd.
Price, per share	$100	$100	$77	$130	$18.50	$92	$29.50	$103
Current div.	nil	nil	$ 4	†$ 7	$ 1	†$ 6	$ 2	$ 7
Current yield	nil	nil	5.2%	†5.4%	5.4%	†6.5%	6.8%	6.8%
Arrears, per share	$27	$ 28	$ 18.37½	$35	$ 3	$ 5	$ 1.75	$ 12.25
Earnings, per share, 1929-35:								
Latest year	$ 7.32	$ 21.49	$ 6.29	*$14.79	$ 1.50	$ 5.46	$ 2.50	$ 5.80
Maximum	$15.64	$ 55.46	$ 11.95	$14.79	$ 2.45	$12.04	$ 4.33	$ 22.38
Minimum	$ 1.16	—$ 95.13	—$ 1.58	$ 7.94	—$ 0.02	$ 3.11	$ 1.13	—$ 1.34
Surplus, per share	$37.99	$108.89	$107.44	$25.44	$ 0.63	$35.82	$16.57	$109.26
Work. capital ratio	3.1—1	1.04—1	3.6—1	3.9—1	5.7—1	12.9—1	5.0—1	16.6—1

†Excluding arrears payments. *Calculated; based on 9 months.

Appointed Manager

ARTHUR R. HASKELL

Newly appointed manager of the Toronto Better Business Bureau, which has just opened offices there.

Union Gas 6 Mos. Net Shows Gain of $80,000

Union Gas Co. of Canada net profits for the six months ended September 30 were $19,558 compared with a net loss of $59,816 for the same period of the preceding year. These figures are after depreciation and include the wholly owned subsidiaries, Windsor Gas Co. and City Gas Co. of London.

Increase in gas sold and reduction in interest charges are responsible for the improvement. The second half of the year is expected to be much better as the company derives a considerable portion of its revenue from heating business. It has just begun supplying natural gas to the city of London.

Charles Gurd and Co. Position is Strengthened

MONTREAL.—Dividends on the preferred stock of Charles Gurd and Co., manufacturers of aerated waters, have been earned during the current year, according to an official statement issued by Alex McA. Murphy, president of the company.

In discussing current conditions, the president said that affairs of the company are sound, both as to sales volume and liquid position. While there is no spectacular improvement over the past couple of years, the gains made in sales and liquid position are of a definite character.

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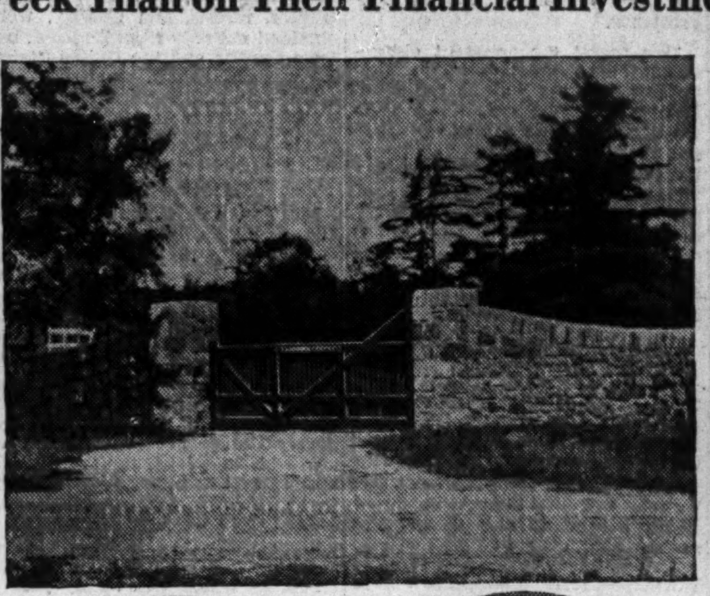
Top Hat Farming

Gentleman Farmers Will Make Much Better Showing in Ring at Royal Winter Fair Next Week Than on Their Financial Investment in Agriculture



Gentleman farmers do not actually wear silk hats during ordinary farming operations, but when officiating at the opening of Canada's two greatest livestock shows such headgear is perfectly proper.

On the right is Col. F. H. Deacon, president of the Canadian National Exhibition, while on the left is Col. Harry McGee, president of the Royal Agricultural Winter Fair. Incidentally both are outstanding Toronto business men, both are addressed by the same military title and both are prominent gentleman farmers and well known in the cattle show rings of the Royal and the C. N. E.

It is a tribute to their success in agricultural circles that these two men have been elected to their present public positions. Col. McGee as president of the Royal Winter Fair for the last four years, heads the greatest all round agricultural show on the North American continent. The Canadian National Exhibition is industrial as well as agricultural but it was from the ranks of the agricultural directors that Col. Deacon rose to the presidency.

In the top centre is the entrance to Col. Deacon's Glenburn Farms at Unionville, Ontario, and lower left centre is a Grand Champion Shorthorn steer at the C. N. E., Royal and Chicago International, which was bred and raised on that farm. This beast was later auctioned off at a dollar a pound, or approximately $1,500, but unfortunately for the gentleman farmers only a grand champion in boom times ever brings prices like that.

Lower right centre is Col. McGee's first prize Ayrshire heifer, Harnelbel Netta 11th, from his 600-acre estate at Islington, Ont.

By GORDON L. SMITH

"Sure there's money in farming," says Harry McGee, "I should know because I have put in plenty."

But the genial Irish first vice-president of the T. Eaton Co. was referring to one class of farmers only. Broadly speaking, there are two distinct groups. There are those who put money into the business with no real hope of financial returns and there are those who still regard it as a gainful occupation.

Two Classes

Since 1929, the line dividing the two has not been as sharply defined as it once was. Many outstanding agriculturists who have been in the habit of drawing anything from a $1,000 a year up out of their operations have been forced to reverse the process. But the gradual rise in farm prices since the middle of 1934 has steadily improved that situation.

In any case, however, the two groups remain. While the man who normally looked upon farming as profitable may have had some losses in the last few years, to him farming still remains a business proposition. And in the long run he has to make it pay. To his neighbors he is known as the "practical farmer" or in more familiar parlance, the "dirt farmer."

Similar Attractions

In contrast, we have the man of fortune coming out from the city in search of a country home. To him the "back to the land movement" holds no illusions. There are, however, many links with the other type of country dweller. To both there is the same lure of open air, running water, and trees and hills. There is the same deep-seated pleasure in watching well-bred cattle, horses or sheep develop. And there is the same satisfaction of taking some run-down weed-grown acreage and turning it into a clean, well-tilled farm. Most men of both classes feel these things.

Few Break Even

But to the city man there is seldom any hope of adding to his income. Most of them are content to break even. But few indeed ever attain even this modest goal.

This chap may have been a hard headed business man in the city. He must have been in order to have at his command the funds he now expects to put into his agricultural venture. To his neighbors he is a "gentleman farmer," or sometimes a millionaire or top hat farmer.

Several Thousand

Of the latter there are probably several thousand in Canada, without including those whose rural holding is confined to a summer cottage or an acre or two of suburban property. They are found within a few miles of every fair-sized city. It is difficult to list them completely, however, because many are in the farming business in only a general sort of way and they are still usually found at their business or town home address.

There are, however, not a few who have gone into rural life in a big way and who have made their names just as well known in high hat agricultural circles as they have in the world of finance. This they have done largely through the medium of the race track or the show ring of the large fairs.

Race Horse Owners

Thus the Seagrams of Waterloo, prominently connected with one of the biggest distillery companies on the continent and well known in insurance and other business enterprises, are probably equally famous as owners and breeders of race horses.

H. C. Hatch, chairman of Hiram Walker-Gooderham & Worts Ltd., and a director of half a dozen big industrial companies, also is well known in racing circles and his covered track on his farm northeast of Toronto near Oriole is a landmark for miles around.

In this game and also to a growing extent in driving horses is R. S. McLaughlin of General Motors of Canada. He is responsible for two proving grounds, one for automobiles near the General Motors plant at Oshawa and one for his horses on his farm a few miles farther north.

Light Horses Too

W. C. Pitfield, head of the investment house of the same name in Montreal and connected with a score of other big Canadian companies is still another race horse fancier and a winner of Canada's coveted King's Plate. His farm is near Cartierville, Quebec.

In light horses there are scores of gentleman farmers, whose names are familiar to anyone who has studied a catalogue at the Royal Winter Fair or the Canadian National Exhibition. There is Jas. Franceshini of the Dufferin Construction Co., R. Y. Eaton and Lady Eaton of the T. Eaton Co., the Siftons and others in the Toronto area alone. On his farm at Troy, near Hamilton, W. B. Cleland, director of Distillers Corp.-Seagrams, formerly a leading Clydesdale importer, now specializes in jumpers.

Cattle and Sheep

Getting into cattle, sheep and heavy horses, the list is still more imposing. Here we find one of Canada's outstanding show farms, Donalda, a few miles east of Toronto. This traces back to the late W. A. Dunlap, who was early associated with the Hollinger Consolidated Gold Mines. Mrs. W. A. Dunlap today uses a portion of the fortune created through the development of that great mine to develop an almost equally famous line of big Clydesdale horses, Guernsey cattle, sheep and other blooded stock.

In this category are included men like T. A. Russell of Massey-Harris Co., Col. F. H. Deacon of F. H. Deacon & Co., Col. Harry McGee of the T. Eaton Co., T. B. Macaulay of Sun Life fame, the Maclarens of Buckingham, Quebec, F. P. O'Connor, of Laura Secord and Fanny Farmer, and J. D. Patterson, now of Richmond Hill, but formerly connected with Massey-Harris. These people are all well known in the show rings at the larger fairs on this continent.

Meet in Show Ring

Notwithstanding their different viewpoints, top hat and the hard-headed practical farmers get along well together. If the truth were told, probably, neither would get along very well without the other, a sort of agricultural symbiosis.

At any rate, they stick closely together and both classes will be out in friendly rivalry at the Royal Agricultural Winter Fair which opens in Toronto next week. They will also be out at the Chicago International which immediately follows just as they were showing at the Canadian National Exhibition together last September.

Incidentally, these gentleman farmers have been in the show game for a great many years. In older countries, they have been exhibiting the products of their farms for centuries. It is in this connection that they play probably their most vital part in assisting general agriculture.

Livestock shown at the big fairs on this continent and in Great Britain represent the final result of breeding and experimental operations, that have been carried on for a great length of time. It is on the tanbark that the final results of all such work are appraised. Fashion and fad may and have crept in from time to time, but usually the show ring valuation is a true barometer of agricultural progress and more especially of that large branch of agriculture which deals with the breeding and feeding of livestock.

Why Livestock

Grain, flour, and other products of field and garden enter also but to a lesser degree. After all, it is usually but a matter of a few years and may be only one of months to develop and improve field crops. The growing cycle is a short one and with the help of the round open greenhouse laboratories several crops a year are possible.

With livestock, however, development is a matter of years, at least a decade, and sometimes centuries. It is in this very slowness, perhaps, that part of the fascination lies. At any rate it seems to be in livestock breeding more than any other phase of farming that gentleman farmers are interested. It is cattle, horses and sheep that we hear about from the royal farms in Great Britain, and from most of our Canadian show farms as well.

After the judges are finished a large proportion of the ribbons are awarded to such names. This is particularly true of light horse and several of the cattle breeds.

Light Horses

For many years these millionaire farmers have been particularly active in light horses. Most of the racing, trotting, and saddle animals now come from stables owned by families whose names are familiar in the world of finance. This is a very natural development. Training of race horses especially is a most expensive process. And really developing riding, trotting and driving animals is only slightly less so.

There is, however, a connection with the practical farmer because every year, sees a filtration of likely animals from the farm via the local fair or hunt club into the stables of the wealthy.

Money in Racing?

Eventually a few of these animals may change hands at figures far in excess of the original sum paid. But for every such lucky break there will be scores of cases of practically the opposite nature. So far as The Financial Post has been able to discover there have never been any instances of gentleman farmers in Canada adding to their wealth through the breeding of race horses. But there are examples aplenty of heavy and continual losses.

Since the ubiquitous automobile, however, the link between light horse breeding and general agriculture in Canada has been growing thinner and thinner. It really requires a much larger country than we have here, that is from the standpoint of population, to retain any strong connection.

The big problem in light horse breeding as with many urban industries, is the finding of a profitable outlet for the by-product. For every fairly decent racer or jumper turned out, there are probably from a dozen to several score of animals of less than mediocre ability.

Motors Hurt Light Horse

In the old days before Henry Ford turned to mass production, such horses found ready sale.

Every farmer, and even in the old days there were a million or two, every doctor whether he practised in Rosedale or Holland Landing, every country business man and many in the cities as well, was a potential customer for a good driving horse. In addition there were delivery and express wagons to be hauled. But most of those sources have dried up.

Ten or 12 miles per hour transportation, with half an hour's grooming at the end of the journey does not appeal to the modern world. As a result the light horse stables in Canada are turning more and more to Great Britain and United States for raw material. In the latter country there is still enough room to absorb the by-product and particularly so in the United Kingdom and Ireland where cavalry regiments offer a huge market for those horses which are not quite good enough for the race track.

Heavy Livestock

But with sheep and cattle there is nothing to worry about. That very large percentage, well over 99, which is not good enough for the show ring, is not turned down by the butcher. In fact we can, and probably do, eat the ex-champions also. Of course, this is not true in the case of the heavy horses like Clydesdales and Percherons but here the average farm can still make use of those that are not stylish or well bred enough to caper on the tanbark.

Good Buyers

It is with this type of livestock that the gentleman farmer plays a useful dual rôle. He is a steady purchaser, at no quibbling prices, of livestock from outstanding practical breeders such as James Douglas of Caledonia, Ont., R. R. Ness of Howwick, Que., W. A. Dryden of Brooklin, Col. Robert McEwen of London, Premier Lea of P.E.I. or J. C. Yule of Carstairs, Alberta. In addition wealthy adventurers into the realms of agriculture make steady importations from the best herds, flocks and studs in Great Britain.

Fancy Prices

While one can purchase bulls with a pedigree for around $100, men in the top hat farming class will pay 10 to 20 times this amount for high class animals. Before the bottom fell out of Wall St. in 1929, when red ink was used only to keep the accounts for the farm end of the gentleman farmer's various enterprises, bull prices were a good deal higher.

Not so many years ago a Shorthorn bull came out to Canada from Scotland, accompanied by a bill for just $33,000. During the same heyday, prices ran up to $100,000 for individual specimens in United States. Such purchases prove a very real incentive for the practical men to get busy.

This is one benefit which millionaire farmers confer on general agriculture. But there is another, and a still more important one.

Raise Stock Level

The high class livestock either purchased locally or imported, increases from year to year. Even the large scale farms of the millionaire farmers will not accommodate all of the progeny. This must and is being sold continuously.

Now when it comes to selling your captain of finance in the urban world apparently just reverses the procedure he has used to build up the fortune which enabled him to partake of the joys of farming. Instead of buying as low as he can and selling for as high as possible, he adopts the opposite plan.

Col. F. H. Deacon, head of the investment firm which bears his name, operates a 600-acre farm, just 10 miles north and east of Toronto at Unionville. He tells me that he has sold scores of young bulls from $2,000 to $4,000 sires for $125 apiece.

Col. Harry McGee, who has a big farm west of Toronto at Islington, goes even a step farther. Not long ago, Col. McGee purchased a $2,000 Ayrshire bull in Scotland. His importation made a mild sensation in Ayrshire circles throughout Canada. Shortly afterward he received a letter from the Manitoba Agricultural College suggesting that now that he had purchased a new bull, perhaps he would loan his old one, also a valuable animal, to the financially embarrassed centre of farm learning near Winnipeg. Colonel McGee not only accommodated but also for good measure threw in another bull at a nominal price.

But all around these millionaire farms, no matter where they are located in Canada, the influence of the good livestock kept on those farms is being felt. Near such places as Donalda, neighboring farmers come to purchase progeny of the high class show stock. This they get at what amounts to practically nominal figures. Moreover in most cases they are encouraged to do so.

These millionaire farms really take the place of the much more widely scattered experimental farms of the Dominion government which were established for the sole purpose of improving agriculture generally.

Why?

Why do big business men go into farming?

This was the question that I put to several men and while the answers differed in regard to detail, in almost every case the explanation boiled down to the same general principle. It was not a farm that these men were looking for primarily but a country home.

Col. Deacon explained that he wanted a suitable place where he could bring up his seven sons. "An ordinary summer resort or a yacht, or some such thing would not give any scope," he said. "I wanted a place in the open air where the boys would have a home and where they could find real creative work. Though I was not born on the farm I had developed a liking for such life when teaching country school years ago."

Wanted Country Home

By securing his place at Unionville, Col. Deacon was able to gratify this ambition and was also able to renew his acquaintance with horseflesh. Col. Deacon, incidentally, was one of the last Toronto business men to give up horses, having driven a pair of hackneys in Toronto until 1915.

He and his family spend practically the whole summer at the farm at Unionville and his oldest son, Kenneth, has been actively in full charge of the farm for several years. With this young man, farming is no longer a hobby, it is a full-time job. Before he took it on, he followed his university education at Toronto with the full course at the Ontario Agricultural College.

Col. McGee told a somewhat similar story. "The late Timothy Eaton used to say that when every man had worked 50 years for a company, he should have provided himself with a farm, a sheep and a goat. This would give him a place to retire and something to absorb his energy and interest and thus prolong his life. And so by the time I had reached 50 years with the company, two years ago, I had provided myself with a place."

Inflation Hedges

During the political scare in the early 'thirties of the present century in the States, I am told, many wealthy men cast about for country places as hedges against industrial and inflationary disturbances. If the worst came to the worst they would be able, like the opulent Romans at the end of the empire cycle, to trek back to the country. Many of the latter, if history is to be believed, were able to dig in, establish the feudal system and through their ancestors outlive the longest depression on record, the 600 years of the dark ages.

But this modern return to feudalism apparently has not been an unqualified success. Urban property, depressed as it is in many instances, is still regarded by most mortgage and insurance companies as higher security than producing farm land.

Purchasing

Apparently the acquisition of country estates is no easy matter for wealthy citizens. Usually they desire considerably more acreage than the average farmer operates in Canada. Most of their farms run from 400 to 600 acres whereas the usual holding in the eastern half of Canada is 100 to 150. The purchase of the first farm is not a particularly difficult matter, but once a top hatter gets in the neighborhood, up go land values. Where he purchases through a third party, however, usually the additional land can be secured at not excessive cost.

Horse Trade Dealing

In the case of Col. Deacon, he had very definite ideas to the kind of cattle and what he desired. He did, however, suffer some heavy losses in building up his original herd. Buying good cattle is not an easy task under any circumstances. It is still pretty much of a horse trade deal, though conditions have improved in the last few years.

Col. McGee hinted at similar losses. After having acquired a herd of Shorthorns at stiff prices, he was dismayed to note signs of tuberculosis. He decided to have a test made and the report came back showing that all his mature animals were reactors.

These $400 and $500 beasts were immediately dispatched to the slaughter house, leaving his calves orphans. The problem of nourishment arose. Col McGee dispatched a scout to secure some nurse cows, the only stipulation being made that they must be registered. "As a result," he said, "some pure bred Ayrshires arrived at the farm from Brockville and so now I have an Ayrshire herd."

Many Winners

Incidentally, however, neither Col. McGee's Ayrshire herd, nor Col. Deacon's string of Shorthorns are just mere cattle. Both of them are right up among the top at all the larger shows throughout Canada. For four years at the Canadian National Exhibition and for five years in succession at the Royal Winter Fair, Col. Deacon's Shorthorn bull, Edellyn Favorite or Gdenburn and Feld Marshall were never beaten. For three years in succession at Chicago, Col. Deacon's animals carried off half of the grand championships awarded in Shorthorns.

Most of these gentleman farmers, as a result of their experience, are rather convinced that large scale profitable farming is not possible in Canada. In Col. Deacon's opinion the best unit, from a commercial standpoint, is one of 150 acres. This, he believes, is the most useful and profitable size in a province like Ontario for mixed farming operations.

Doubts Big Farming

When queried in regard to a possible joint-stock company farm of 500 acres or more, he was very dubious.

"It is difficult enough" he said, "to make an ordinary urban industry profitable where you have all your operations carried on under one roof and under the supervision of two or three men. In the case of a large farm, you would have men scattered over several hundred acres and with crops which take six or seven months to produce and livestock possibly as many years, you would not know whether you were breaking even, showing a loss, or operating at a profit until the years after the event. The difficulties of supervising such a large place are almost insurmountable. In my opinion it is not just a mere coincidence but probably the result of generations of experience that the most profitable farms in Canada are ones of about 150 acres."

Farmers Creditors Act Up to Supreme Court

Constitutionality of Act Effecting Scaling Down $70 Millions in Farm Debt to Be Tested—10,000 Settlements

Along with other New Deal farm legislation passed by the late Bennett government, the constitutionality of the Farmers' Creditors Arrangement Act will be determined by the Supreme Court of Canada. Announcement to this effect has just been made by Hon. Ernest Lapointe, Minister of Justice. This action follows several attacks on the credit act in the lesser courts, and criticism from several provinces.

Objective

Briefly, the object of the F.C.A.A. was to provide machinery where a farmer and his creditors could come together before a Government-appointed referee for the purpose of having his debts consolidated and if possible scaled down. Unsecured creditors, such as the corner grocery store, the sheep dealer and the doctor, were left in the lurch, while in many cases mortgages and farm implement company notes were written down drastically.

Criticism

There was some criticism of the Act by the Provincial Governments of British Columbia and Ontario when it was suggested that mortgages held by these Provincial Governments on farm land be reduced. There was also strong discontent voiced by the various retail merchants' associations and one large scale bankruptcy at least, that of P. T. Legarè of Quebec, was largely attributed to the inability to collect outstanding accounts frozen or wiped out as the result of the Farmers' Creditors Arrangement Act.

The act was definitely challenged last September by the International Loan Co. of Winnipeg. The Loan Company declined to accept an arbitrary scaling down of a mortgage on a farm in the Haytor district of Alberta.

Challenged

Although the International Loan Co. is not a member of the Dominion Mortgage and Investment Association, The Financial Post understands that this does not necessarily mean that the challenge is frowned upon by the bulk of Canadian mortgage companies. It is believed that most of the companies are of the opinion that the authority of the measure must be more clearly defined.

To date close to 10,000 settlements under the Farmers' Creditors Arrangement Act have been recorded, and it is estimated that since its inception about a year ago $70 millions in debt has been brought under the Act. There has been an average write-off of between 25 per cent and 30 per cent in such debt.

Reciprocity and Empire

Should be No Conflict Between U. S. Trade and Preferences Within the British Empire

BY JOHN BAYNE MACLEAN

The Prime Minister is warned by the leading organ of Canadian Liberalism, the Globe, to avoid hastily made, new tariff deals with the United States. He is asked to bear in mind that Empire tariffs are much more likely to bring permanent prosperity to Canada, saying:

> "Whatever success attends the negotiations at Washington, the fundamental importance of the British market has to be kept in mind. The United Kingdom is the biggest importer of those commodities on which we must rely, year in and year out, for the major part of our export trade, and, given a fair deal in return, will remain a steady customer. As a rule, the United States has—or can have—an ample home supply of most of the things we sell abroad, and, however willing may be the spirit of the present administration, we never can tell how soon another administration, with different fiscal policies, will upset the apple-cart. These things we have learned. To the effects of the Hawley-Smoot tariffs can be attributed some of the eagerness attendant on the negotiation of the Ottawa agreements."

Views of Coolidge

In an article in The Financial Post of November 2, urging on the new Prime Minister the advantages of the British, and particularly the American cabinet system over ours, I quoted among others the views of the late President Coolidge. Mr. King has since taken the first step in Canadian history in this direction—reducing the size of his cabinet and introducing the British system of parliamentary secretaries to relieve ministers.

My conversation with Mr. Coolidge was not a newspaper interview. I had gone with Hon. Harry New, a member of Mr. Coolidge's cabinet and an old friend of mine, to make a courtesy call on the President to express regret at the inability of my wife and myself to dine at the White House the night before. I found him not the silent Mr. Coolidge. Instead of the brief formal call I expected, we chatted for perhaps an hour. He at once asked me about the Canadian political situation and about Mr. King. He was, next, deeply interested in St. Lawrence power development. The Americans were very much in need of this power. The Canadians replied, perhaps not tactfully: "If American industries need our power, let them establish branches and erect plants on the Canadian side."

Why We Wanted Power

I explained we were trying to hold St. Lawrence power in Canada, not because of any unfriendliness to the States, whose better understanding and hence more kindly attitude toward Canadians since the Spanish war and Roosevelt's policies we deeply appreciated. But we were in a serious position. We were fighting for our existence and needed every cent we could earn from our natural resources, we needed work and income for our people to meet the ever-growing, excessive taxation brought on by the war, by the wasteful extensions of our transportation systems, in which Americans had invested hundreds of millions — and by the unnecessary opening of new areas and numerous new services.

The President quite agreed with the fairness of this and remarked that the State of Maine at that time was trying to do exactly the same thing — retaining her water power within the state and asking industry to come there, which he thought, however, was a mistake in the case of Maine. Later, I learned from another source that the United States government were much upset to find, a few days before, that a man in their own public service was also employed by Sir Adam Beck to carry on subversive Hydro public ownership agitation and was interfering with the President's plans.

Mr. Coolidge was not unfamiliar with Canada because from boyhood until he grew up he was a reader of a Canadian magazine, the Family Herald and Weekly Star, for which his grandmother was a subscriber.

He then went on to discuss the far more important question of British, Canadian and American relations, on which he held broad, far-sighted and very definite views. Our chat was in February, 1925. The views then expressed are of particular interest at the present time. He was most friendly to the development of the British Empire through a system of preferential tariffs. Although increasing world tariffs might temporarily injure the United States trade, in the long view he believed it would be greatly to their advantage. He saw clearly that, because of the close relations between Canada and the States, American trade with the British Empire would be greatly promoted. He agreed, as long experience had shown, that, regardless of tariffs, the more prosperous Canadians were, the more money they spent in the United States. Billions of Canadian money had and always would pour into the United States chiefly for necessary goods or luxuries not easily obtainable elsewhere. These are shown in the trade statistics. But there are hundreds of millions of Canadian personal buying that do not show in the figures.

Business Leaders Agree

Since then I have taken many opportunities of discussing the matter with American business and political leaders and they have almost unanimously been in agreement with the late President Coolidge that, while the United States would suffer temporarily from Empire agreements, in the long run the building up of the Empire was greatly to their advantage. That understanding is growing and it is a very great asset to the Mother country.

One, if not the greatest, source of the unearned incomes of the large mass of British people is from their investments abroad. There is a growing understanding in the United States that Canada is the safest foreign field in which to similarly place their savings, and the more prosperous Canada becomes the more opportunities there are for their steadily growing surpluses. Incomes from this source and the millions spent by Canadians, temporarily in the States, on personal purchases and living in the big centres from an important part of their trade with Canada. But far more important are the hundreds of millions that must be spent by Canadians who make short visits to U.S. seashore places, but particularly by those who spend months in the warmer climates of the South during the colder weather.

Canadians in South

I followed this last winter in Florida. In a number of centres they keep records of the state or country of origin of visitors. In proportion to population, Canadians were shown to be far more numerous. They were from every province. Whenever opportunity offered I checked their home addresses and occupations. The great majority of them were business and professional men, some mechanics and clergymen, an occasional farmer and all mainly from the smaller cities and towns. Quite a few had their own homes. And the numbers going South each year are steadily increasing. Their heavy gross spending does not appear in the trade returns. The same applies to the United Kingdom. More Canadians were there for weeks this year than ever before. The millions they spent do not show in trade returns.

Making a Fair Deal

It will be far easier for Mr. King to make a fair deal with Washington than with London and there is no reason for him to overdo it.

The Americans have had the best of us all along. Any deal now will be more to their advantage than ours.

Mr. King will also have the advantage in Washington that he will be dealing with the men in political control. But in London he will have more serious problems to face. He will have to overcome the prejudice that has developed because of the deep feeling that official Ottawa has been unfair and broken faith, and has broken agreements made at the Empire Conference; that Canadian exporters have in many cases not maintained the quality of their goods or services. He will find that the attitude of the British government, as of all Conservative governments in England, will be to protect the agriculturist as they did, in shutting out Canadian cattle by false charges of pleuro-pneumonia. In London, not only are there the usual forces (often foreign) pulling wires away back of the politicians, but as well the Oxford-trained statesman who delights to debate in words that hide his real meaning and objectives. The man who can win in debates at Oxford by oratorical sleight-of-hand, Canadian Rhodes scholars tell us, is at once marked for a parliamentary or diplomatic career. In Canada and the States, life is too serious and time too short for anything but direct action.

Where Canada Loses

Too frequently, particularly in their deals with the Canadian Liberal party in Laurier's and Fielding's time as well as King's we have found that what the British statesman said was not quite what we understood, and we have found ourselves with the worst of the deal or without the quid pro quo we understood we were to get.

Finally, we must face the competition of England's increasing investments and other interests in South America to Canada's detriment. And will the Bank of England interests be back of King as of Bennett, if the new deal affects their influences in Montagu Norman's newest baby, the Central Bank in Canada.

Mr. King in London will require patience, tact, sense of humor and firmness. Above all he must have knowledge, practical and unbiased. And always remember that our greatest need is markets and the Empire markets of 500,000,000 people is the greatest hope for Canada—and the United States, via Canada, as well.

Footnotes to Ottawa

Sanctions Puzzle Clears Up

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Provincial Parley Delayed

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Would Merge Income Taxes

From Our Own Correspondent

OTTAWA.—How Canada will co-operate with the League of Nations in applying sanctions against Italy, has been settled by the official statement issued by the government. So far as control of exports to Italy is concerned, there is a section of the Customs Act giving authority to the government. It remains to be seen how the government will move to block imports from Italy. The understanding at Ottawa is that the dump duty provisions of the Act put in by the Bennett government will have to be used in this connection.

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New Deal Goes to Court

The whole of the Bennett New Deal legislation goes to the Supreme Court of Canada for adjudication and the Dominion-provincial conference has been set back to Dec. 9 in order that the decision will be available at the conference table.

The question being put to the court is simple, "Are these laws within the legislative competence of parliament?" This is considered a clear indication that the government desires to have them thrown out.

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Aberhart Proposes Tax Merger

In search of economy, Premier William Aberhart of Alberta will propose to Ottawa at the forthcoming conference, the merging of the various income taxes now imposed on taxpayers. In this way, he believes, Alberta can save $60,000 and, no doubt other provinces could save equally substantial sums.

The idea is not new but has never commended itself to the Dominion government. The plan would call for the Dominion to act as income tax collector for the provinces and, possibly, some of the municipalities. If these lesser authorities desired to increase the tax, they would merely notify Ottawa, leaving to the Federal collectors and politicians, the odium of having to enforce more severe rates on the public. This is a proposition which is not likely to be encouraged by Ottawa. Simplification of the present tax structure is scarcely to be expected from this quarter.

Board Turns Down Plan Abandon C.N.R. Branch

From Our Own Correspondent

MONTREAL.—Application of the Canadian National Railways for leave to abandon the 31-mile branch line between St. Hyacinthe and Bellevue Junction, P.Q., has been denied by the Board of Railway Commissioners.

The board said it could not render a decision which would have saved the railway $30,000 annually because witnesses showed "the absolute necessity of the line for their commercial, social and religious activity."

DIVIDEND NOTICES

BANK OF MONTREAL

Established 1817

DIVIDEND NO. 290

Notice is hereby given that a Dividend of two dollars per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after Monday, the second day of December next, to Shareholders of record at close of business on 31st October, 1935.

The Annual General Meeting of the Shareholders will be held at the Banking House of the Institution on Monday, the second day of December next.

The Chair to be taken at noon.

By Order of the Board,

W. A. BOG,
General Manager.
JACKSON DODDS,
General Manager.

Montreal, 22nd October, 1935.

The Royal Bank of Canada

DIVIDEND NO. 193

Notice is hereby given that a dividend of two per cent. (being at the rate of eight per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Monday, the second day of December next, to shareholders of record at the close of business on the 31st day of October, 1935.

By order of the Board.

S. G. DOBSON,
General Manager.

Montreal, Que., October 11, 1935.

The Canadian Bank of Commerce

Dividend No. 195

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 30th November, 1935, and that the same will be payable at the Bank and its Branches on and after Monday, 2nd December next, to shareholders of record at the close of business on the 31st October, 1935. The Transfer Books will not be closed.

By Order of the Board,

S. H. LOGAN,
General Manager.

Toronto, 18th October, 1935.

Borden's

COMMON DIVIDEND
No. 103

A quarterly dividend of forty cents (40¢) per share has been declared on the outstanding common stock of this Company, payable December 2, 1935, to stockholders of record at the close of business November 15, 1935. Checks will be mailed.

The Borden Company
E. L. NOETZEL, *Treasurer.*

Anglo-Canadian Telephone Company

Class A Dividend Notice

Notice is hereby given that a dividend of One and One-Quarter Per Cent (1¼%) has been declared on the Class A stock of the Company, payable December 3, 1935, to Stockholders of record at the close of business on November 15, 1935.

By Order of the Board.

GEOFFREY PURDY,
Secretary.

Montreal, November 15, 1935.

Hollinger Consolidated Gold Mines Limited

Dividend Number 273
Extra Dividend Number 25

A regular dividend of 1% and an extra dividend of 1%, making 2% in all, have been declared by the Directors on the Capital Stock of the Company, payable on the 2nd day of December, 1935, to shareholders of record at the close of business on the 15th day of November, 1935.

Dated the 8th day of November, 1935.

I. McIVOR,
Assistant-Treasurer.

Anglo-Huronian Limited

DIVIDEND No. 2

NOTICE IS HEREBY GIVEN that a dividend of Twenty (20c) cents per share on the issued Capital Stock of the Company has been declared payable December 2nd, 1935, to shareholders of record at the close of business November 22nd, 1935.

By Order of the Board,

J. INGRAM,
Secretary-Treasurer.

Toronto, November 1st, 1935.

Company Earnings

Canada Malting

Reflecting a lower volume of sales, earnings of Canada Malting Co. dropped 26 cents a share in the year ended July 31 last. Despite this drop profits were the second highest in the company's history, being equivalent to $2.86 per share. This compares with $3.12 per share in 1934 and $2 per share in 1933.

Operating profits are shown at $933,774 as against $917,681 in the year ended July 31, 1934. The 1935 figure, however, is before deduction of salaries, bonus and fees of executive officers, which is shown as a deduction after net earnings in accordance with the provisions of the Dominion Companies Act. If this item is deducted as an operating charge, as previously, operating profit amounts to $876,956.

Further improvement is shown in the company's strong working capital position, current assets exceeding current liabilities by $2.7 millions. Cash and guaranteed call loans each exceed $500,000. Inventories and supplies, valued at cost, which is less than market, have a value of almost $1 million while accounts receivable, less reserve, are carried at $697,924. Bonds and stocks having value of $181,173 are carried in the balance sheet at $178,560.

Small increases are shown in both land and plant and equipment accounts. An increase of $35,000 in land account represents the purchase of a small parcel of land adjacent to the company's Montreal plant. The purchase of improved and additional machinery increased the plant and equipment account to $1,888,946 from $1,853,266.

Income and Surplus Account
Years Ended July 31

	1935	1934
	$	$
Net earnings	933,774	917,681
Add: Inc. from invests.	9,847	17,043
Less: Deprec. reserve	200,000	200,000
Income tax reserve	115,643	112,000
Salaries, bonus & fees of exec. officers & dirs.	§56,818	....
Directors' fees	1,840	2,340
Net profit	569,520	620,384
Less appropriations:		
Dividends	298,526	298,524
Surplus for year	270,994	321,860
Add: Previous surplus	656,491	338,107
Less: Addit. inc. tax in respect of prior years	10,058	3,476
Bal. carried forward	917,427	656,491
Earnings per Share and Dividend Record:		
Common: Earned	$2.86	$3.12
Paid	1.50	1.50

§ Includes amount paid as counsel and solicitors' fees.

Working Capital

	1935	1934
	$	$
Current assets	2,875,833	2,498,593
Current liabilities	158,293	169,479
Working capital	2,717,540	2,329,114
Ratio	18.17—1	14.74—1

Toronto Elevators

Toronto Elevators Ltd. reports sharply lower profits for the year ended July 31, 1935. On the common stock, earnings of $3.04 per share are shown as against $4.23 per share in the previous fiscal period.

Net earnings are shown at $359,911 as compared with $509,693 in the year ended July 31, 1934. Provision for depreciation is slightly higher and for interest and income taxes, lower. Surplus for the year is down $4,634.

Working capital is shown $136,656 higher than in the previous year.

Consolidated Income and Surplus Account
Years Ended July 31

	1935	1934
	$	$
Net earnings	359,911	509,693
Less: Deprec.*	117,589	115,500
Interest	32,175	33,700
Inc. tax reserve	28,496	49,684
Net profit	181,651	310,829
Less appropriations:		
Trans. to res.	....	100,000
Preferred divds.	104,456	105,000
Common divds.	25,000	25,000
Accr. elevation w/o	....	24,000
Surplus for year	52,195	56,829
Add: Prev. surplus	480,073	423,244
Bal. carried forward	532,268	480,073

* Representing 2½ per cent on buildings and 10 per cent on machinery.

Working Capital

	1935	1934
	$	$
Current assets	5,348,297	4,630,016
Current liabilities	4,486,392	3,904,767
Working capital	861,905	725,249
Ratio	1.19—1	1.19—1

DIVIDEND NOTICES

The Corrugated Paper Box Company Limited

Preferred Stock Dividend No. 11

Notice is hereby given that a dividend of 1¾% has been declared on the Preferred Stock of the Company, payable on the 1st day of December, 1935, to Shareholders of record at the close of business on the 16th day of November, 1935.

Dated the 8th day of November, 1935.

J. A. WHEALY,
Secretary.

Sylvanite Gold Mines, Ltd.

(No Personal Liability)

DIVIDEND NO. 16

NOTICE is hereby given that the regular quarterly dividend of five per cent. (5%) on the outstanding capital stock of the Company has been declared by the Directors of the Company, payable December 31st, 1935, in United States funds, to Shareholders of record at the close of business November 23rd, 1935. The Canadian five per cent. (5%) tax will be deducted from dividends paid to non-residents.

By Order of the Board,

W. S. WALTON,
Secretary.

Toronto, November 11th, 1935.

McKinley Mines Securities Company Limited

(No Personal Liability)

Dividend No. 3

NOTICE IS HEREBY GIVEN that a dividend of Two and One-Half per cent. (2½ cents per share) on the issued Capital Stock of the Company has been declared payable December 2nd, 1935, to Shareholders of record at the close of business November 22nd, 1935.

By Order of the Board,

J. INGRAM,
Secretary-Treasurer.

Toronto, November 1st, 1935.

HUDSON BAY MINING AND SMELTING CO., LIMITED

DIVIDEND No. 2

A dividend of Fifty Cents (Canadian) per share has been declared on the capital stock of Hudson Bay Mining and Smelting Co., Limited, payable December 16, 1935, to stockholders of record at the close of business November 29, 1935.

H. E. DODGE,
Treasurer.

Dated, November 8, 1935.

The Consumers' Gas Company of Toronto

NOTICE
of
ANNUAL MEETING

The **ANNUAL GENERAL MEETING OF THE SHAREHOLDERS** of The Consumers' Gas Company of Toronto, to receive the report of the Directors, for the Election of Directors for the ensuing year and for the transaction of such other business as may properly be transacted at the meeting, will be held in the Company's Auditorium, 55 Adelaide Street East, Toronto, on **MONDAY**, the **18th DAY OF NOVEMBER, 1935,** at 12 o'clock noon.

By Order of the Board,

EDWARD J. TUCKER,
Secretary.

Toronto, October 16th, 1935.

IMPERIAL OIL LIMITED

DIVIDEND

NOTICE TO SHAREHOLDERS AND THE HOLDERS OF SHARE WARRANTS

NOTICE is hereby given that a semi-annual dividend of twenty-five cents (25c) per share and a special disbursement of thirty-seven and one-half cents (37½c) per share, both in Canadian currency, have been declared, and that the same will be payable on or after the 2nd day of December, 1935, in respect to the shares specified in any Bearer Share Warrants of the Company of the 1929 issue upon presentation and delivery of coupons No. 44 at any Branch of:

THE ROYAL BANK OF CANADA,
in Canada.

The payment to Shareholders of record at the close of business on the 15th day of November, 1935, and whose shares are represented by registered Certificates of the 1929 issue, will be made by cheque mailed from the offices of the Company on or before the 30th day of November, 1935. The transfer books will be closed from the 16th day of November to the 30th day of November, 1935, inclusive, and no Bearer Share Warrants will be "split" during that period.

The Income War Tax Act of the Dominion of Canada having been amended, effective April 1st, 1933, to provide that a tax of 5% shall be imposed and deducted at the source on all dividends payable by Canadian debtors to non-residents of Canada the above mentioned tax will be deducted from all dividend cheques mailed to non-resident shareholders and the Company's Bankers will deduct the 5% tax when paying coupons to or for account of non-resident shareholders. Ownership Certificates will be required by the paying Bankers in respect of all dividend coupons presented for payment by residents of Canada.

Stockholders resident in the United States are advised that a credit for the 5% Canadian tax withheld at source is allowable against the tax shown on their United States Federal income tax return. If it is desired to claim such credit on the return the United States tax authorities require the receipt or certificate of the Canadian Commissioner of Income Tax for such payment. In order for the taxpayer to secure such proof from the Canadian Commissioner it is necessary for the United States stockholder to submit, at the time of cashing his dividend coupon, an ownership certificate on Canadian form No. 601. Only in this way can the Canadian Commissioner identify the withheld Canadian tax with the specific recipient of the dividend in order to furnish the necessary individual receipt. If Forms No. 601 are not available at local United States banks, they can be secured by requesting the same from the Company's office or at any branch of The Royal Bank of Canada, in Canada.

NOTE: Holders of Bearer Share Warrants who have not yet exchanged talons for a new supply of dividend coupons (Nos. 41 to 60) should detach talons and forward them by registered mail, with return address, to the Secretary, Imperial Oil Limited, 56 Church Street, Toronto, Canada.

By Order of the Board,

F. E. HOLBROOK,
Secretary.

56 Church Street,
Toronto, Ontario.

International Petroleum Company, Limited

Notice to Shareholders and the Holders of Share Warrants

NOTICE is hereby given that a semi-annual dividend of 75c per share and a special disbursement of 50c per share, both in Canadian Currency, have been declared, and that the same will be payable on or after the 2nd day of December, 1935, in respect to the shares specified in any Bearer Share Warrants of the Company of the 1929 issue upon presentation and delivery of coupons No. 44 at:—

THE ROYAL BANK OF CANADA,
King and Church Streets Branch,
Toronto, Canada.

The payment to Shareholders of record at the close of business on the 22nd day of November, 1935, and whose shares are represented by registered Certificates of the 1929 issue, will be made by cheque, mailed from the offices of the Company on the 29th day of November, 1935.

The transfer books will be closed from the 23rd day of November to the 2nd day of December, 1935, inclusive, and no Bearer Share Warrants will be "split" during that period.

The Income Tax Act of the Dominion of Canada having been amended, effective April 1st, 1933, to provide that a tax of 5% shall be imposed and deducted at the source on all dividends payable by Canadian debtors to non-residents of Canada, the above mentioned tax will be deducted from all dividend cheques mailed to non-resident shareholders and the Company's Bankers will deduct the 5% tax when paying coupons to or for account of non-resident shareholders. Ownership Certificates will be required by the paying Bankers in respect of all dividend coupons presented for payment by residents of Canada.

Shareholders resident in the United States are advised that a credit for the 5% Canadian tax withheld at source is allowable against the tax shown on their United States Federal Income Tax return. If it is desired to claim such credit the United States tax authorities require evidence of the deduction of said tax. In order to secure such proof Ownership Certificates (Form No. 601) must be completed in duplicate and the Bank cashing the coupons will endorse both copies with a certificate relative to the deduction and payment of the 5% tax and return one Certificate to the shareholder. If Forms No. 601 are not available at local United States banks, they can be secured from the Company's office or the Royal Bank of Canada, Toronto.

Holders of Bearer Share Warrants who have not yet exchanged talons for a new supply of dividend coupons (Nos. 41 to 60) should detach talons and forward them by registered mail, with return address, to the Secretary, International Petroleum Company, Limited, 56 Church Street, Toronto, Canada.

By order of the Board,

J. R. CLARKE,
Secretary.

56 Church Street, Toronto 2, Canada.
12th November, 1935.

Ask Dominion Status Restored Newfoundland

But Press Urges Retention Commission Government as Only Solution — Finance Commissioner Trentham Replies

Dissatisfaction with the present mode of government was expressed at a public meeting in St. John's, Newfoundland, recently. The meeting was addressed by Peter Cashin, finance minister in the last administration of Sir Richard Squires, 1928 to 1931. He charged graft and deceit on the part of the Commissioners and of the previous administration.

Ask Restoration

Main business completed was the adoption of a resolution calling for restoration of the former constitutional status of the country. The resolution claimed failure of Premier Alderdice to keep his promise of a referendum and failure of the Commission of Government to improve conditions. However appreciation was expressed of British efforts to promote financial stability.

Dailies Opposed

Editorial comment in St. John's dailies expresses the opposite opinion. These regard the Commission as a "bitter alternative," but until the country can satisfactorily administer its own affairs chaos is the only other option.

"Abolish Commission Government," says The Daily News, "and the whole economic structure must collapse in ruins. Our credit at home and abroad will be gone, confiscatory taxation must follow, and we will be left with the shadow which we have exchanged for the substance.

"We regret the apparent obtuseness of the Commission in certain matters but this will be remedied. Meanwhile on the basis of cold logic we find only one attitude possible and that is to support the continuation of Commission on Government until the country's economic situation has been remedied and we are in a position to shoulder those financial responsibilities created by ourselves and now in large part borne for us by the long-suffering British taxpayer."

Claims Consideration Given

Speaking at Montreal last week, Hon. E. N. R. Trentham, commissioner of finance, replied to charges that measures are enacted by the Commission without sufficient consideration and canvassing. He pointed out that the Commission issues a communique of business transacted at each meeting and also publishes periodical statements of work done. It has established a corps of district officers throughout the country which acts both as a mouthpiece of the government to the people and an indication to the government of public sentiment.

Reorganization

Discussing the method upon which the Commission works, Mr. Trentham divided the work under the heads of reorganization and development. It was necessary for the Commission to ask the Government of the United Kingdom to place at its disposal experts from their Civil Service to reorganize and control certain of the key departments, for instance, customs and excise, post office. In addition, certain experts on technical subjects, such as agriculture, forests, and geology, were obtained not only from England, but from Canada and the United States. It was necessary, moreover, to establish a civil service with security of tenure, with adequate expectation of promotion given satisfactory service.

Present Plans

Mr. Trentham stated that at present the Commission is devoting much attention to the system of education and the administration of public health. A comprehensive scheme of land settlement in the interior is also under way for those who are not interested in the fisheries.

"All in all," said Mr. Trentham, "I hope and believe that the temporary change in the form of government in Newfoundland which was in any case essential in order to achieve some form of financial stability in the island, will lead to a re-organization in its institutions and to a development in its natural resources which will amply justify its establishment."

International Petroleum

First published statement of International Petroleum Co. covers the year ended June 30, 1935. It shows an operating profit of $26.8 millions and net available for common dividends of $20.5 millions or $1.43 a share. It paid $2.25 a share in the period, $1.31 in regular dividend, and 94 cents in special dividends. To make these extra payments the company had a deficit for the year of $12.1 millions, but still has an earned surplus of $59.7 millions besides an appropriated surplus of $4.9 millions.

Working capital at $57.4 millions is very strong after making allowance for the fact that 11.5 per cent of them are in a South American country where there is at present a partial embargo on the export of funds.

Cons. Income and Surplus Account
For Year Ending June 30,

	1935
	$
Oper. profit	26,754,069
Less:	
Fees and salaries	275,006
Depreciation	4,754,443
Amortization and exp.	2,463,896
Bal. of oper. profit	19,260,724
Add:	
Int. and divs. on invest.	1,971,493
Profit on securities	767,284
Profit for year	21,999,501
Less:	
Applicable to shs. of min. int.	332,965
Balance	21,666,536
Less: Reserve*	725,209
Net profit	20,941,327
Less: Pref. dividend	454,348
Com. dividend	32,540,607
Deficit	12,053,628
Prev. earned surplus	71,726,428
Balance earned surplus	59,672,800
Appropriated surplus	4,867,863
Balance	64,540,663

*Reserve under South American laws and credited to appropriated surplus.

Working Capital

	1935
	$
Current assets	61,868,349
Current liabilities	4,425,437
Working capital	57,442,912
Ratio	13.98—1

Maple Leaf Milling

As a result of continued adverse conditions in the milling trade, Maple Leaf Milling Co. and its wholly owned subsidiaries report a sharp increase in net loss for the year ended July 31 last. Deficit after all charges amounted to $388,318 as compared with $184,043 in the year ended July 31, 1934.

Working capital position was also affected, deficit in working capital being increased as a result of the settlement of certain contingent liabilities. These consisted of purchase of shares of Canadian Bakeries and the settlement of claim in connection with power.

Income and Surplus Account
Years Ending July 31

	1935	1934
	$	$
Earn. from oper.	193,885	363,340
Income from invest.	......	6,609
Net earnings	193,885	369,949
Less: Depreciation	165,846	163,024
Bond interest*	134,372	134,372
Bond interest†	218,985	189,368
W/o leases & contr.	50,000	....
Res. for bad debts:		
Cont. co's. accts.	......	67,228
Pref. div. guar.‡	13,000	....
Net loss	388,318	184,043
Add: Previous surplus.	691,350	229,468
Reduc. in stated capital transf.	......	645,925
Rec. from sale of coll. sec. from former officers	3,550	....
Less: Reorgan. exp. adj.	7,629	....
Bal. carried forward	298,953	691,350

* Portion payable in cash.

† Portion of interest on bonds and bank loans to be settled by the issue of Class A shares.

‡ Payment under guarantee of preferred dividend of Eastern Bakeries.

Working Capital

	1935	1934
	$	$
Current assets	3,255,409	3,810,838
Current liabilities	4,066,444	4,538,759
Working capital	*811,035	*727,921
Ratio	0.80—1	0.84—1

* Denotes excess of current liabilities over current assets.

Can. Terminal System

Wins Against Kingston

The Supreme Court of Canada on November 7 gave judgment in favor of Canadian Terminals System, Ltd., in its appeal against the city of Kingston to get ownership of $60,000 National Utilities Corp. bonds.

In 1929 and 1930 Canadian Terminal System officials negotiated to build a 2.5 million bushel elevator at Cataraqui Bay, Kingston. Canadian Terminals deposited the bonds as security for completing the project by October 1, 1932, while the city was to convey the required water lots and lands.

The city alleged that in 1931 Canadian Terminals was financially unable to proceed. A new company formed to carry on was also unable to finance. The company alleges that the city first defaulted in conveying of lands. The Ontario Supreme Court upheld this contention, the Appeal court reversed the decision and now the Supreme Court upholds Canadian Terminals.

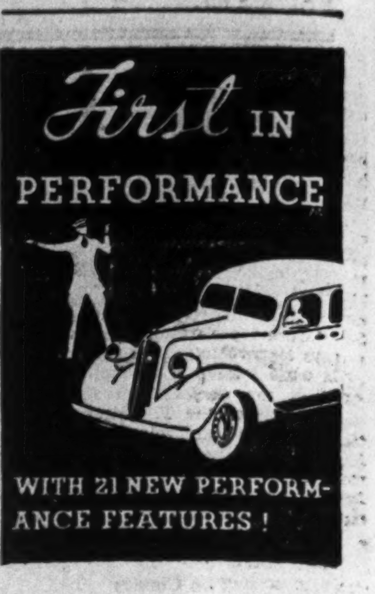
Italo-Argentine Electric Declares First '35 Dividend

From Our Own Correspondent

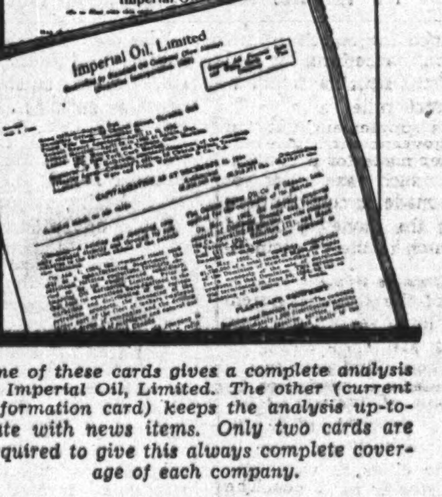
MONTREAL. — Italo-Argentine Electric Co. has notified the Montreal Curb Market that its directors have declared a first dividend for 1935 of three pesos per share. The dividend is subject to a deduction of 5 per cent Argentine tax and is payable at the main office of the Royal Bank of Canada, Montreal, at the Montreal buying rate for sight drafts on Buenos Aires ruling at the time of the presentation.

B. C. Forest Products

Based on production during the first nine months this year, the value of British Columbia's forest products in 1935 is expected to approximate $51 millions.



$1088 DELIVERED completely equipped in Toronto
The Studebaker Corp. of Canada, Ltd.
Windsor, Ont.
Studebaker



The Dearness of Cheapness

—*a message to financial and investment executives*

CHEAPNESS is not the basis of saving—it leads, inevitably, to waste and inefficiencies which result in costly errors. Far more important than Cheapness is Value. While the original cost of sound values may seem more, the ultimate cost is less as dependability, quality and service are secured.

Value is true economy—Cheapness, in itself, is false economy.

One of these cards gives a complete analysis of Imperial Oil, Limited. The other (current information card) keeps the analysis up-to-date with news items. Only two cards are required to give this always complete coverage of each company.

Increase Your Value to Your Clients

Today, investors are seeking Value in investment securities. Now, however, more than ever before, complete and reliable facts are demanded before commitments are made.

In your interests as well as your clients you cannot afford to have anything but the best investment and statistical information on which to base your recommendations. The Financial Post Corporation Service gives you this essential information. Moreover, it is recognized as the outstanding value as a source of complete and reliable investment information on Canadian companies.

What the Service Gives You

The Financial Post Corporation Service gives you detailed analyses and a news service on Canadian companies in which there is a public investment interest — industrials, public utilities, mines, oils, banks, trust and loan companies, life insurance companies, investment trusts, real estate companies, etc.

All the analyses are in card form and there are, at the most, two cards on any company. As an easy and convenient reference the service is unequalled. The main card, revised yearly upon publication of the company's annual report, thoroughly covers the points you and your clients are constantly seeking when investigating a company. Some of the facts given are:

The company's business
History of its operations
Officers and directors
Provisions of each stock issue
Names of underwriters
Subsidiaries
Production and development of mines
Analyses of mining costs
Security of each bond issue
Dividend record
Stock market record
Seven years' earnings
Seven years' balance sheets

The news cards give you a news service which keeps these points up-to-the-minute and supplies additional information such as, monthly and quarterly earnings, production reports, progress reports, changes in dividend rates, and all other announcements covering current operations. Used together, the two cards form a means of investigating and constantly keeping in touch with the position of a company.

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Address ....

You Cannot Afford to Have Less Than The Best

OLDSMOBILE

In 1890, the Olds Gasoline Engine Works with $30,000 was organized at Lansing, Michigan, and five years later Mr. R. E. Olds and Elwood Haynes brought out the first Olds Motor Vehicle. In 1901, began "quantity" production of the Olds curved dash runabout, reaching a total in 1904 of 4,408 cars. The song, "In My Merry Oldsmobile" by Gus Edwards in 1905 helped in building popularity in those days.

General Motors of Canada, Limited, presented Oldsmobiles to the Canadian public in 1919.

Oldsmobiles are advertised in —

Maclean's
Canada's National Magazine

◆

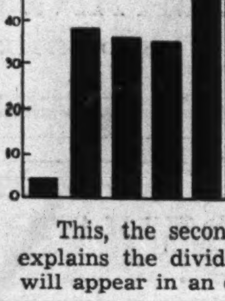
Relief Responsibilities

After Many Trials Administration is Now Largely in Provincial Hands — Still Lacks Uniformity in Assistance

Whose Job?

Relief, a major Canadian problem, is administered from three different government sources. Federal, provincial and municipal authorities all have a finger in the pie.

DOMINION CONTRIBUTIONS TO RELIEF



In the meanwhile the monthly cost of relief is mounting sharply.

In 1931 the federal government's contributions totalled less than five millions but a year later when the depression got into its real stride the bill had multiplied eight times. There was some improvement for a little while after that but in 1935 it jumped again, this time to over $60 millions. These contributions, it should be noted, were from the Ottawa authorities only.

In 1936 such outlays are expected to reach 15 times the 1931 figure, which prediction would indicate that relief is still a major Canadian problem.

This, the second article in a series dealing with relief, explains the divided authority in administration. A third will appear in an early issue.

Canada is striving to assist more than one million unemployed.

One of the chief difficulties that has arisen since the Dominion has had a big unemployment problem is responsibility for administration.

Municipalities, who received the benefits of good times in their respective areas, were at first expected to shoulder the burden caused by reversed conditions, but relief has exceeded municipal financial limits. So they have attempted during the unemployment crisis to throw the onus of financing on the Dominion and the provinces.

Despite the fact that the municipalities are technically responsible for unemployment relief administration, the experience of the last five years has shown that local administration has not been entirely satisfactory.

No Uniform System

Up until this year, the municipalities had been carrying on their welfare work as separate entities. There was no uniform system throughout any one province or the Dominion. Even now, the various governments and municipalities are attempting to formulate a plan which will contain a measure of permanency. Not only are they attempting to seek control and adequate administration under the present crisis, but they are hoping to build up a system which in the future will be effective should unemployment again become acute.

Different Types of Relief

Probably 80 per cent of the total volume of unemployment relief is for persons whose problems would be immediately solved by wage-earning jobs. The remaining 20 per cent is administered for the old charity groups. Those in the latter group must be fed and housed as well as those in the former class. Their social problems are not solved by their being given work.

Among this group are those who unload themselves in off seasons upon the community. To this class belong the professional hobo and the panhandlers. These people will not work if they can possibly get out of it.

Deserted wives are another problem. Their husbands in jail, or footloose, they are forced to seek relief from the municipality. Often the wage earner is stricken down by sickness, and the family is placed in a similar position.

Lack of Uniformity

There has been much variety in administration of relief. Some municipalities have thought that unemployment was a product of conditions over which relief recipients had no control, and they would treat the unfortunate persons accordingly. Others would visualize only the expenditure necessary, and regard those on relief as belonging to a strata that, while having a right to exist, was sub-normal.

Rules of Residence

Differences in rules of residence have caused no end of trouble. In some communities the regulations have demanded a year's residence; in others, six months only was required. Ontario now stipulates that the uniform period of residence shall be one year. Investigators and welfare visitors have found that starvation has been faced by families because the families have not lived long enough in any one place. Often they have been ejected from their homes, and have lodged in other communities. The municipalities in which they were now located have felt that according to their rules of residence they were not responsible for the welfare of the families which applied for relief.

What, under this circumstance, were the families to do? Time was lost in acquainting the province of the situation, and before relief could finally be given, absolute destitution might have been reached.

The Unemployment Research Council reveals the lack of system in administration by the statement that in the summer of 1931 the value of the food orders given out weekly to families of five persons in Ontario varied from $3.50 to $8.50 in all cities.

Uniformity Will Require Changes

These are only a few of the variations faced by the provinces and municipalities. If the system is to be made uniform throughout Canada, investigation methods, the manner of handing out supplies, the treatment of single unemployed men, a standardization of the public works wage rate, and other details will of necessity, have to come under the close scrutiny of a central authority.

It will appear from the above information that relief has not been administered in the best interests of efficiency and economy.

Gradually, however, the provinces are assuming more control of relief administration, and although there is no legal placement of responsibility, the provincial authorities are now regarded as chief administrators.

Regardless of where the ultimate responsibility for administration lies, one fact is apparent. The federal and provincial governments have begun to realize their responsibilities and have assumed a larger share in granting assistance, financial and otherwise. This realization has not come any too soon, for had financial aid not been forthcoming when it did, a larger number of municipalities would have become bankrupt.

Division of Responsibility

Supervision as it exists at present is not sufficiently adequate. Procedure along this line has been slow. Five years have been spent in attacking the problem, the various responsible bodies seeking to get under the burden and boost it up in order to see it clearly.

As a result, the Dominion, provinces and municipalities have assumed for themselves certain tasks. Briefly, these are as follows:

The Dominion, government contributes grants-in-aid to the provinces, as well as supervising general administration throughout the country. Supervision is contained in relief acts passed by parliament. The extent of the Dominion's contribution to relief since the problem became acute is shown by the fact that so far $250.7 millions have been provided.

This amount has been allocated during the depression period as follows:

	Millions
1931	$ 4.4
1932	38.2
1933	36.7
1934	35.8
1935	60.4
1936*	75.0

* Estimated.

Under the Department of Labor, the Dominion's administration rests in the hands of the Commissioner of Unemployment Relief.

Makes Separate Governments

The Dominion enters into agreements with each of the provinces separately, and monthly grants-in-aid are made according to the needs of the provinces. Previously the required financial assistance was given on a percentage basis. By this latest arrangement both the Dominion and the provinces are able to know exactly how much is being allocated to direct relief and relief works from month to month. The provinces, however, feel that the grants-in-aid are not by any means sufficient. They are of the opinion that the Dominion should assume greater financial responsibility.

The Dominion, on the other hand, is seeking to cut expenditures to the bone, and instead of haphazardly passing out relief funds on a percentage basis, it decided to act on an arrangement whereby its monthly relief expense bills would at least be indicated in advance.

At present, these monthly grants-in-aid are as follows:

	$
Prince Edward Island	2,125
Nova Scotia	40,875
New Brunswick	25,000
Quebec	500,000
Ontario	600,000
Manitoba	135,000
Saskatchewan	200,000
Alberta	100,000
British Columbia	150,000

Federal financial help is undertaken in instances of dire public need, such as was experienced in the Saskatchewan drought area.

Aid For Single Jobless

Special federal relief in works projects has been undertaken for single homeless men to the extent of 322,000 individuals. In addition to this, a federal programme of public works with an expenditure of $39.6 millions was provided in order that married men with family responsibilities could get back on the payroll.

The Dominion government has encouraged the settlement on farm homesteads of those persons who could and would farm the property. It has entered into agreements with every province except Prince Edward Island and British Columbia, and has spent more than $527,000 in the venture. It has accounted for 18,279 persons who formerly were on direct relief.

	No. of Settler Families	No. of Individuals
Nova Scotia	263	1,655
Quebec	795	4,929
Ontario	503	2,483
Manitoba	507	2,430
Saskatchewan	826	4,096
Alberta	518	2,451
British Columbia*	43	235
Totals	3,455	18,279

*B.C. had entered agreement with Dominion under Act of 1932.

Provinces in Charge

The provincial governments have two responsibilities, one of administration and another of helping to finance relief.

Each province carries on its relief programme according to the seriousness of the situation it has to meet. Its direct relief and public relief projects supplement those of the federal government. Expenditures are either made for provincial undertakings, such as roads or camps, or are made as contributions together with the money provided by the Dominion to the municipalities.

The Ontario System

A résumé of the Ontario system of administration gives an idea how the provinces are endeavoring to take care of their relief problems.

Relief in Ontario is conducted by the Department of Welfare, functioning under Dominion legislation. The province has been sub-divided into four administrative areas, with a supervisor responsible in each. The older part of the province has been further divided into 12 inspection areas, with a trained inspector over each.

It has the right, either alone or in conjunction with the federal government or any municipality, to undertake works or to furnish direct relief for unemployed. The decision as to the amount of the cost of works and direct relief rests with the Department.

Provinces May Demand Action

The province may require any municipality to undertake relief works and to provide direct relief for the unemployed and their dependents actually residing within its limits.

At present, Ontario requires the registration of all persons and families applying for relief. Without this registration the family cannot claim any assistance whatsoever from the provincial or municipal authorities.

Ontario provides for medical care of those on relief through an arrangement with the Ontario Medical Association, which has taken responsibility for the detailed supervision of medical services to persons and families on relief.

The Dominion now stipulates that a year's residence is necessary for a family before the latter can receive relief. The municipalities at present receive 66 2/3 per cent of the cost of relief from the provinces, but when they are financially embarrassed, the full cost may be remitted to them.

The municipalities have the right to decide on the manner of meting out relief, and may declare themselves against it entirely. Should this happen, the province, of course, would have to take a hand financially, if not otherwise.

They may handle the administration of relief in a number of ways. The various councils may appoint boards, committees or special relief officers to handle local relief situations. These bodies may investigate and arrange for granting the direct relief or for payment of wages where relief works are carried out.

The municipal councils themselves have the legal right to impose taxes or issue debentures for raising funds to defray the cost of relief works or direct relief. Legislation stipulates that where debentures are issued for relief purposes, they may be for no longer a time than 10 years.

The municipalities have been granted the right of inaugurating works programmes. If carried out in the best interests of the communities, these will help do away with many undesirable social conditions. Slum areas have always presented a major problem, especially in the larger communities. If relief works are directed toward doing away with these, an important step will have been taken. Some municipalities have already begun this work. Some also have embarked on a policy of improving residences, which since the depression began, have depreciated in value.

Fifty-Six Cents Bring Bailiff

A Hamilton citizen is indignant because a bailiff appeared with a seizure warrant for 56 cents in tax arrears.

Threatened by letters from the tax collector's office that unless he paid the 56 cents taxes on some property he owned, the bailiff would visit him, the taxpayer sat back and waited "to see if the city would really send him for 56 cents. And, by gosh it did," he said.

The irate gentleman declared that he could have paid the small account quite easily, but felt so peeved about the matter, that he suggested the bailiff make the seizure. He was further provoked by the fact that he would be called upon to pay $3 bailiff's fees.

However, an agreement was reached with the city whereby the taxpayer is to pay the total amount of $3.56 in installments of $1 per week.

JAM BOARD PLANS STILL IN MID-AIR BY OTTAWA UPSET

Sought Before Election to Prove Right to Fix Prices

Prior to election day, those behind the jam marketing scheme were seeking to prove that they had the legal right to fix prices. But since Oct. 14, when a new Liberal government was swept into office, the jam marketing board is concerned more with whether or not their plans will be permitted to continue until the 1935 pack has been disposed of. Packers would like to know the new Prime Minister's attitude.

On Oct. 18 a meeting of the Jam Marketing Board was held at Burlington, Ont., with one of the newly-elected Liberal members to the Federal Parliament present. The entire situation was gone into and a telegram was dispatched at the request of the manufacturers to Mr. King by this Liberal member, requesting that no change be made in the Natural Products Marketing Act under which the Board operates, until the 1936 pack.

The wire stated in effect that the growers had received a fair price for their fruit this season; that they were interested in seeing the scheme continued until next year to help out the packers; that approximately 80 per cent of the present year's pack of jam was still unsold and that the uncertainty of the situation created by the change of government was largely responsible for slowing up sales.

Attitude Unknown

So far Mr. King's attitude in respect to the powers of the Marketing Act as it applies to the sale of jam has not been made known. But one report came out of Ottawa, stating that he was opposed to groups of any kind getting together for the purpose of fixing prices. It was said he freely stated this in his pre-election speeches. The resignation of Professor Leitch, chairman of the Dominion Marketing Board, effective January 1, may complicate the situation. It is understood that as soon as Hon. James Gardiner, new Minister of Agriculture, gets settled in Ottawa, the matter will come before him for review.

It is known that some of the jam packers who signed the agreement several months ago have not been whole-heartedly behind it. Large distributors have also been opposed to it in the main. One result undoubtedly has been that many of these distributors have not been putting much pressure behind jam, and if one were to ask them the reason for the packers having so much of their 1935 pack still on hand they would point to this feature of the situation. It is therefore to be expected that there will be counter-moves on the part of some packers and distributors with a view to getting Mr. King to brand the price fixing part of the arrangement illegal.

Two Cases Lost

In the meantime, the Jam Marketing Board has brought three cases recently against an Ontario packer in police court for alleged infringement of the rules and regulations. The first two were lost but a conviction was secured on the third. The first is being appealed by the board and deals with the latter's authority to inspect books of packers. The second and third had to do with the defendant marketing jam after his license had been cancelled, and in the latter instance he was fined $25. This will be appealed to higher courts.

It will be seen from the above that there are many undercurrents prevalent. Whether or not the Board will go ahead with its court cases without something definite from Mr. King is the question. On the other hand if packers are not permitted to fix their prices, there will be a tendency for similar conditions to prevail as existed prior to the organization of the jam packers of Canada. Price competition will naturally reappear; but distributors will put more selling pressure behind the product and the consumer will get cheaper jam. Even if growers made more money this year out of their fruit—and this is questioned by some—they would not fare so well next year providing there should be heavy unsold stocks.

So we have the old economic problem as to whether it is better to accept a low price and make sure the goods go into consumption, or insist on a higher price resulting in sales being slowed up and stocks accumulated.

IMPERIAL MIXTURE
40 Years a Great Tobacco
1 lb. 2.75 ~ ½ lb. 1.40 ~ ⅕ lb. .60 ~ .25 Packages

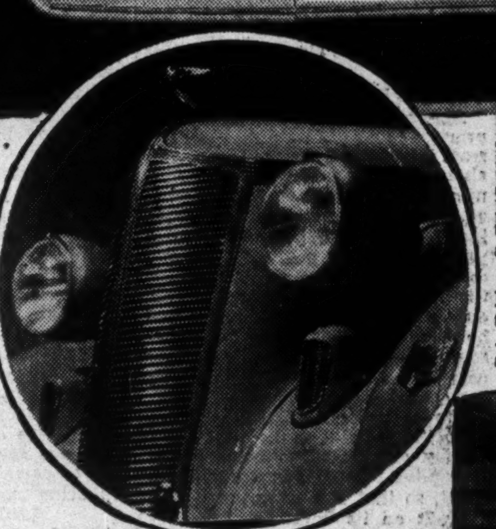
IMPERIAL MIXTURE

THE SETTLED POLICY OF THIS COMPANY, SINCE ITS INCEPTION, HAS BEEN NEVER TO PERMIT AN OFFICER OR EMPLOYEE TO DRAW WILLS OR OTHER LEGAL DOCUMENTS, THEREBY RECOGNIZING SCRUPULOUSLY THE EXCLUSIVE RIGHT OF SOLICITORS TO PERFORM WORK IN THE NATURE OF LEGAL SERVICES, FOR WHICH THEY ALONE ARE QUALIFIED TO TAKE RESPONSIBILITY.

TORONTO
and
WINDSOR

Guaranty Trust
Company of Canada

Swanky New De Soto on display To-day!



Drive a New DeSoto Today . . . Get a Thrill Because You Travel in Swanky Style . . .

THE most talked about 1935 car has arrived in town. Everywhere people admire its swank and rave about its entirely new style and appointments. The new 1936 Airstream De Soto is now on display at your Dodge-DeSoto Dealer's!

There's a feeling of *rightness* about these new De Sotos that thrills even the smartest people. Louvres . . . headlamps . . . fenders . . . windshield . . . rear-end . . . everything is fashioned in a new style that "gets you."

It's fun to drive a DeSoto and you know you'll be safe. De Soto has Genuine Hydraulic Brakes, an all-steel body joined to a frame just twice as rigid as ever before so that body and frame form a solid steel unit. To cap it all De Soto adds safety glass throughout for 1936.

Underneath De Soto's swank is an engine that performs with traditional DeSoto smoothness . . . Be sure and experience the thrill of De Soto's new Automatic Overdrive (available at extra cost). At 45 miles an hour you lift your foot momentarily off the accelerator and engine speed slows down a third. It saves gas and oil too!

Get the thrill of seeing and driving this swanky new car today. See your Dodge-DeSoto dealer at once. Be swanky this year, travel in style . . . drive a new De Soto.

The Custom Airstream De Soto Touring Sedan, with streamlined, built-in trunk. It's over 196 inches, bumper to bumper. Wheelshields are special equipment.

The ensemble interiors feature French roll button upholstery . . . new-type seats that fit up under the knees, like an upholstered chair.

DeSoto trunks blend into the flowing lines of the car . . . They're wider, higher and deeper than ever before.

You'll admire this jewel-like instrument panel with its Circassian walnut grain trim.

DeSoto sets the Style

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DELIVERED IN
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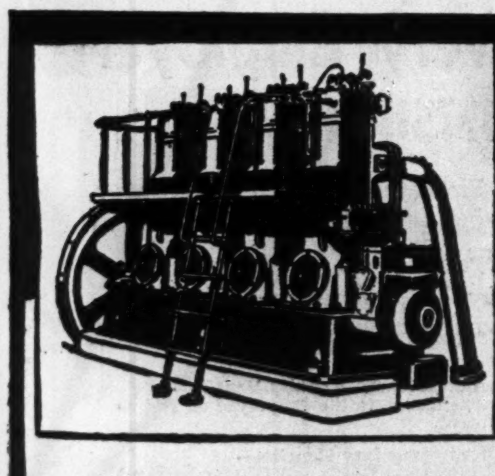

FAIRBANKS-MORSE DIESEL ENGINES

For isolated power plants where electric power is not available, and for standby service, Fairbanks-Morse Diesel Engines have proven thoroughly dependable and remarkably low in power, operation and maintenance costs. In mine, mill, grain elevator, railway yard, town and city light, power and pumping plants, in marine service, they are producing cheap dependable power, using low grade fuel oils. They are made in two types — F-M two-cycle, slow speed, heavy duty, in sizes from 10 to 10,000 H.P., and F-M four-cycle, medium speed, medium weight, in sizes from 8 to 60 H.P.

The Canadian Fairbanks-Morse Company Limited
Halifax Saint John Quebec Montreal Ottawa
Toronto Hamilton Windsor Fort William Winnipeg
Regina Calgary Edmonton Vancouver Victoria

London Life Industrial Has $8,500,000 Increase

The industrial branch of the London Life Insurance Co. reports a gain in insurance in force as at the end of October of approximately $8.5 millions.

The company is hoping to increase its industrial branch business in force by $12 millions by the end of 1935.

United States
Fidelity & Guaranty
Company
TORONTO

INSURANCES
at Competitive Rates
on the
London Market

We offer the facilities of the London Insurance Market to responsible Brokers and Agents throughout Canada on the following lines:

Fire — Automobile — Atlantic, Pacific and Churchill Marine—St. Lawrence and Great Lakes Marine — Inland Transportation — Municipal Liability —Special War Covers—Public Liability—Burglary—Riots—Sprinkler Leakage—Use and Occupancy — Rents — Windstorm — General Accident — General Fidelity — Accountants and Solicitors Indemnity — Brokers and Bankers Bonds — Cash in Transit — Miscellaneous.

Immediate Covers
Prompt Settlements

A Hint to Insurance Brokers:—Business Executives now know that most covers are improved when "LLOYD'S" carry part of the schedule.

ANGLO-CANADIAN
UNDERWRITERS
LIMITED
320 Bay Street, Toronto
Business Organised in 1901
Insurances at Lloyd's since 1925
Incorporated January, 1935
Chairman Robt. H. Cook
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NORWICH UNION
FIRE
INSURANCE SOCIETY LTD.
We also make a Specialty of
FIDELITY BONDS
For particulars write the Company's Head Office for Canada
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SOCIETY OF
CANTON
LIMITED

A SOLID FOUNDATION

One hundred years well spent in building a Solid Foundation for a great Insurance Company, is the history of this successful Society. $31,000,000.00 in Assets assures Policyholders that this Company is on a Solid Foundation.

HEAD OFFICE FOR CANADA—TORONTO
COLIN E. SWORD, Manager for Canada

PROTECTION

The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost. This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.

Total Benefits paid $125,000,000
Independent Order of Foresters
FRANK E. HAND Supreme Chief Ranger
HEAD OFFICE: TORONTO, CAN.

NORTHWESTERN MUTUAL
FIRE ASSOCIATION
SEATTLE WASHINGTON
BRANCH OFFICES
TORONTO
HAMILTON
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VANCOUVER
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EDMONTON
CALGARY
SASKATOON
WINNIPEG
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QUEBEC CITY
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HALIFAX
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST, ASSETS $5,183,603.19
ALL POLICIES NON-ASSESSABLE PAYING DIVIDENDS RANGING FROM 20%. TO 30% ON RENEWALS

"Canada's Largest Fire Mutual"
The WAWANESA MUTUAL
INSURANCE CO.
Ranks 3rd against all companies on total volume of fire business written in Canada
FIRE LIABILITY
WINDSTORM
SPRINKLER LEAKAGE
DOCTORS' AND DENTISTS' LIABILITY
AUTOMOBILE PLATE GLASS
Head Office—WAWANESA, Man.
Eastern Office—341 CHURCH ST., TORONTO, Ont.
Branches also at Vancouver, B.C.; Edmonton, Alta.; Regina, Sask.; Winnipeg, Man.; Montreal, P.Q., and Saint John, N.B.

Life Company Shareholders 4.

Manufacturers Life

Half Outstanding Shares Held by Gooderham Family Through Voting Control

With $125 millions of assets, shareholders of the Manufacturers Life Insurance Co. have an equity of $1.5 millions in paid up capital (15,000 shares of $100 par value) plus an additional $1.8 millions of undistributed surplus of which $865,000 is in the shareholders fund and $979,000 is undistributed surplus in the non-participating policy fund.

Bulk of the assets are, therefore owned by some 200,000 policyholders scattered throughout the 46 countries of the world in which the company operates. They have their own representatives on the board, namely R. A. Daly, D. G. Ross and F. G. Osler, all of Toronto.

Gooderham Family Controls

Of the 15,000 shares of stock outstanding about 50 per cent is held in five large blocks the most important of which is the holding of 2,200 shares in the name of Richard Pashby (in trust). Mr. Pashby is secretary of the Bank of Toronto. Other large holdings are M. Ross Gooderham, 1,436 shares; Mutual Investments Ltd., Toronto, 1,400 shares; the estate of John B. McKechnie former general manager (in care of National Trust Co.) 1,133 and William D. Taylor, Toronto, 1,400 shares. It is understood that these represent the holdings of the Gooderham family which ten years ago were in one block and are still held in the family through voting control.

In addition there are some 25 shareholders with holdings of 100 shares or more. There are only 150 shareholders in all, indicating average holdings of 100 shares each.

Directors' Holdings

Holdings of the shareholder directors are as follows: the late W. G. Gooderham, former president of the company, 200 shares; M. R. Gooderham 1,436 shares; Colonel A. L. Bishop 50 shares; G. H. Cassels 50 shares; H. B. Henwood, 50 shares; and the late William Stone 252 shares. It is assumed that George G. Mitchell, who recently joined the board, will have acquired the 25 shares necessary for a director of a life insurance company in Canada, although his name does not appear in the official list of shareholders last year.

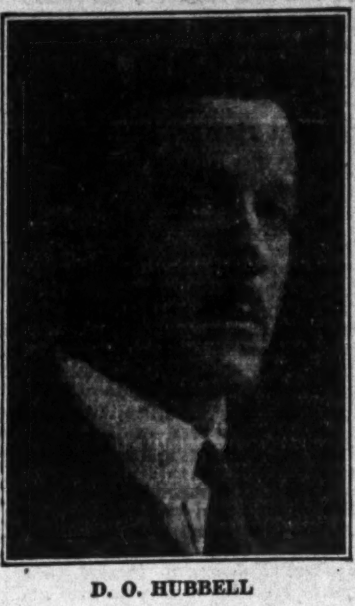
Very few of the company's shareholders reside outside Canada. Holdings in the United States amount to only 284 held by seven individuals. In England live two of the company's shareholders holding 11 shares of stock. One shareholder with 50 shares of stock lives in Japan.

Important changes have taken place among shareholders in the past decade. Figures for 1925 show but 77 shareholders with actual control of the company (7,711 shares) in the hands of the Gooderham family, Toronto. Of this number, 111 were held by M. Ross Gooderham, 200 by the late William G. Gooderham and 7,400 shares by W. G. Gooderham in trust. The next largest holding was 970 shares held by Reserve Securities Limited, Toronto.

A complete list of the company's shareholders as at latest available date (December 1, 1933) follows:

Name: Address	No. of Shares
Alexander, Mrs. M. A., London, Ont.	105
Allen, Mrs. E. M., Toronto	100
Allison, Mrs. H. A., Calgary, Alta.	34
Annis, Dr. L. C., Cedar Springs, Mich.	50
Archer, ex'tors. est. of late R., Montreal	50
Argue, Dr. John Fenton, Ottawa	15
Azelrood, Matt. M., Toronto	30
Bain, William A., Toronto	50
Ballachey, A. A., High River, Alta.	10
Barnhill, A. P. Co. Ltd., Saint John, N.B.	5
Barr, P., and A. H. Steven, in trust, Hamilton	10
Beatty, L. M. (Mrs.) C. W., Toronto	100
Beullac, Mrs. Alice G., Westmount	12
Bird (Mrs.) E. A., Oshawa, Ont.	100
Bishop, A. L., Toronto	50
Blackstock, Harriett V., Mrs. T. G., Toronto	100
Boright, G. Henry, Montreal	5
Bourgeau, Arthur Alexander, Pointe Claire, Que.	40
Bourgeau, M. Demers exec. of late B. Bourgeau, Montreal	40
Brouse, Mitchell & Co., Toronto	50
Brown, F. Irving, Toronto	5
Burnett, F. Lowden, Calgary, Alta.	20
Campbell, Robert, Detroit, Mich.	25
Cardy, R. H., mgr. in trust, Toronto	550
Carlisle, Wilfrid, Waterloo, Ont.	50
Carlyle, Thomas Morton, Calgary, Alta.	23
Cassels, George H., K.C., Toronto	50
Charles, Wm., Toronto	5
Charles, (Mrs.) Jennie, Toronto	5
Christie, David, D.D., Winnipeg	10
Collum, (Mrs.) Annie M., Winnipeg	10
Crean, estate of R., Toronto	100
Dalton, Inez I., (Mrs. A. E.), Toronto	40
Dalton, Charles, S., Toronto	40
Dalton, Miss Mary Rebecca, Toronto	40
Dickson, Miss C., Peterborough, Ont.	10
Drope, J. H. N., in trust, Toronto	400
Favre-Brandt & Co., C. & J., Yokohama, Japan	50
Finley, W. A., and J. K. Patterson, Toronto	27
Flavelle, Sir Joseph, Toronto	39
Fletcher, Mrs. Ellen, Toronto	25
Fortye, (Mrs.) Dorothy H., New Haven, Conn.	50
Francis, Hubert C., and Laurence Clark, in trust, Calgary, Alta.	5
Frame, Samuel J., trustee, Toronto	5
Gemmell, Robert M., mgr. in trust, Ottawa, Ont.	57
Gooderham, M. Ross, Toronto	1,430
Gooderham, W. G., Toronto	200
Gordon, D., asst. mgr. in trust, Toronto	8
Grant, Mrs. Bertha I., Toronto	13
Grant. D. E., Toronto	15
Gravel, C. E., Toronto	80
Green, B. M., and J. M. Graham, in trust, Toronto	76
Gully, Charles L., Pembroke, Ont.	5
Gund Company, Toronto	82
Gunn, John N. (Dr.), Calgary, Alta.	10
Hemming, Mrs. Mabel S. F., Toronto	5
Henwood, Harvey B., Toronto	50
Hills (Mrs.) Jean Hamilton, Toronto	50
Holmes, Phillips A., Peterborough, Ont.	5
Hooper, Bertram O. and R. C. Smyth, Toronto	5
Horsey, H. Herbert, Ottawa, Ont.	50
Hutcheson, R. James, in trust, Huntsvile, Ont.	10
Hutchinson, W. H., London, Ont.	5
Junkin, J. F., London, Eng.	6
Kerr, Mrs. A. E., Fannie L., Chicago, Ill.	100
King, Mrs. Muriel A., Westmount	25
Kittson, N. E., and E. A. Walker, in trust, Toronto	5
La Caisse d'Economie de Notre Dame de Quebec, in trust, Montreal	30
Lake & Co., Toronto	25
Lithgrow, J. H., Toronto	155
Livingston, Dr. John M., Waterloo, Ont.	25
Lyons, J. P., Toronto	125
Macfarlane, Miss Annie B., Toronto	50
Macfarlane, E. S., Toronto	51
Mackenzie, Alexander, Toronto	50
MacKenzie, D. R., Toronto	75
Mackenzie, Marjorie (Mrs.), Toronto	7
Mattawa Investments Ltd., Montreal	350
Matthews, R. C., Toronto	12
Matthews, T. Frank, Toronto	10
McCann, George E., Toronto	5
McCullough, H. P., London, Eng.	5
McMahon, Theresa, M. M. Robinson and H. D. McMahon, executrices est. late Thomas F. McMahon, Toronto	100
McMillan, Benjamin C., Calgary, Alta.	15
Merritt, Dr. Willis, Calgary, Alta.	10
Molson, exe'tors. est. late Dr. W. A., Montreal	50
Montgomery, (Dr.) R. C., Toronto	10
More, W. G., and A. L. Ogden, Toronto	100
Munro, Miss Effie, Peterborough, Ont.	14
Mutual Investments Ltd., Toronto	1,400
National Trust Co. Ltd., ex'rs. J. B. McKechnie estate, Toronto	1,133
National Trust Co. Ltd., Mrs. Emeline Lennox and E. R. Lennox, exe'rs. E. J. Lennox estate, Toronto	156
Nattress, Mrs. Julia, Toronto	150
Nicholson, James, Toronto	75
Nicholson, Mrs. J. E., Toronto	40
Northrop Strong Securities, Toronto	126
O'Brien, T. J., Toronto	20
O'Flynn, N. J., and L. Babcock, in trust, Toronto	30
Osler, Mrs. Margaret R., Toronto	100
Osler & Hammond, Toronto	23
Pashby, Richard, in trust, Toronto	2,200
Pashby, Richard, in trust, Peterborough, Ont.	17
Rainey, Arthur Pigou, Winnipeg	15
Ritchie, Mrs. Amy V., Toronto	98
Rowan, Herbert, R., Toronto	105
Rowan, executors, estate of Wm. H., Alton, Ont.	25
Royce, Gilbert, M.D., Toronto	10
Scott, (Mrs.) Hattie May, Winnipeg	10
Somerville, Walter H., Waterloo, Ont.	140
Sproule, W. B., Thessalon, Ont.	10
Stone, William, Toronto	252
Stone, Bessie Maud (Mrs. Wm.), Woodstock, Ont.	5
Stratton, (Mrs. Ada), Toronto	120
Sweeney, C. L., Spokane, Wash	15
Taylor, Harold E., Toronto	600
Taylor, Wm. D., Toronto	1,400
Thomson, (Mrs.) Edith M., Toronto	40
Thornton, Goldwin M., Oakville, Ont.	25
Townsend (Mrs.) Ella, Toronto	5
Tubbs, Walter D., New York	42
Turner (Mrs.) Helen, Toronto	5
Vogan, W. H., Toronto	5
White, E. J., Toronto	5
White, E. J., in trust, Toronto	5
Wilckes, Esther E., (Mrs. A. J.), Brantford, Ont.	200
Wintermute, P. A., Hamilton, Ont.	50
Wright, Mrs. Annie B., Toronto	25
Young, Austin, M., Toronto	50
Young, Bruce, W., Toronto	50
Young, Rupert R., Toronto	50

Montreal Manager



D. O. HUBBELL

Appointed manager of the newly opened Montreal branch of the Great-West Life Assurance Co. in the Bank of Toronto building of that city.

Mr. Hubbell joined the company at Montreal 15 years ago and has recently been in the company's Toronto office as personal producer and agency manager.

Insurance Problems

Insurance questions of general interest submitted by subscribers of **The Financial Post** will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Western Assurance

I am considering investing in the stock of Western Assurance Company. Would you explain why the dividend rate has not been increased despite the improvement in earning power? Is not the reserve for unsettled losses and claims unnecessarily large?

In appraising the earning power of Western Assurance stock in relation to dividend payments, two important points of view should be kept in mind. The first is the general situation surrounding all fire and casualty companies. The second, the specific situation regarding Western.

British Practice

Apparently, it is standard British practice to regard only the earnings from interest and dividends as available for shareholders. Good business practice does not deem it wise, as a general rule, to include earnings from underwritings in any one year or group of years. This is because of the extreme variability of this factor and the realization that over a term of years very little can be counted on directly from this source. In other words, bad years usually can be counted on to eat up the earnings of good years.

The exception to this is that underwriting profits, as they occur, are usually considered as being added to capital rather than current account, so that if a company makes a profit on its underwritings over a period of say ten or fifteen years, this profit should accumulate in capital account, thus increasing directly interest earnings of the company.

Little American Influence

The practice among American companies is more to pay out profits in good years, and to drop dividends entirely in bad years. Officers of the Western Assurance state that there is little probability of this viewpoint influencing the dividend policy of the company in future.

Another viewpoint on this question is that the Western is not in as strong a position as some of the older-established companies in Great Britain. Apparently, the Western has not as yet built up sufficient special reserves to put itself on a par with some of these in this respect.

Old-established British insurance companies have built up very substantial conflagration reserves which are available without touching so-called surplus. This is not the case with Western Assurance, and if a conflagration hazard were to arise at any moment, it would need to dip into surplus.

Dividends Affected

Apparently Western Assurance stock had a very active market up until about 30 years ago. At that time the San Francisco disaster gave the company a very serious blow financially. It meant the omission of dividends from about 1906 to 1920. This caused a substantial falling off of interest in the stock which has never been regained, particularly as a further drop in dividends occurred in the post-war depression of 1921.

The size of the reserve for unsettled losses and claims is explained on the grounds that the company carries on a marine business. It is said that British practice decrees that marine loss reserves should be almost 100 per cent of premium income. These losses are exceedingly slow in being settled and drag on for 12 to 18 months in many cases. In the case of the Western Assurance this reserve is about 89 per cent of premium income in respect of marine business.

Little Free Stock

The floating supply of the company's stock is said to be very small chiefly because a great portion of it, apart from that held by directors and company employees, is in the hands of estates. As a rule, this stock is very slow in coming on the market. However, it is believed that certain operators now have got hold of quite a few shares and are attempting to make a market for it. Officials of the company state that the probable market worth of the stock is about $35 a share, at the present time.

THE DOMINION LIFE
ASSURANCE COMPANY
HEAD OFFICE • WATERLOO . ONTARIO
What income will your present insurance provide? The "INCOMETER" tells you quickly and accurately. Write today for a free copy of this handy device.
FIRST POLICY ISSUED 1889

Major London Life Change Not Expected Till 1936

There is little probability of a major revision in London Life Insurance Co. premium rates at the first of 1936, The Financial Post learns.

For some time the company has had under consideration an important change in participating and non-participating rates which would increase premium rates in both types of coverage.

Reason for the increase would be the necessity for making provision for a lower interest earning rate in the calculation of the company's premiums.

This is in line with changes being made by many leading companies to place their premium rate schedules nearer to a three per cent basis as compared with the three and a half per cent basis which has prevailed for most companies up until recently.

There is still a possibility that minor changes in rates may become effective as at the first of the year, The Financial Post understands, but a major revision in the rate book which would entail far-reaching calculations and considerations is now deemed unlikely until the turn of the year.

The whole matter is under consideration, however, and it now seems probable that such a change may be made early in the year.

Huge Day's Volume For Great-West Life

Over $1,300,000, in 319 applications submitted by all the company's branches, marks the highest single day's production by Great-West Life Assurance Co. agents since June, 1930.

This record was made on November 4, and marks a high point in the current "President's drive" in honor of George W. Allan, K.C.

Denser Traffic Seen as Raising Auto Accidents

A British road census undertaken by the Automobile Association reveals that in the last five years traffic has increased 47 per cent. The total number of vehicles observed on the road in 1935 was 4.3 million as against 2.6 million in 1931, an average per observation point of 37,065, compared with 25,199. This growing congestion is regarded as tending to multiply the number of automobile accidents.

The census shows that motorists are using the roads much more than formerly and that use of the roads is increasing ten times more rapidly than is the number of vehicles licensed.

Private car traffic was substantially heavier than in previous years, accounting for 61 per cent of the total. The number of bicyclists also increased, but many observers reported fewer motor cycles.

Licenses Issued

The following insurance companies have been licensed by the Federal Department of Insurance for the classes of business named in addition to those for which they are already registered.

Rhode Island Insurance Co.—Riot and civil commotion limited to insurance of property already covered for fire.

Hardware Mutual Fire Insurance Co. of Minnesota and **Minnesota Implement Mutual Fire Insurance Co.**—Hail, limited explosion, riot and civil commotion, limited to properties already insured against fire, and insurance against direct loss and damage to property by airplanes, airships and/or other aerial craft or objects falling therefrom, or by automobiles or other motor vehicles.

Special Meeting Planned For Capital Life Deal

Formal notice has been given by Confederation Life Association of a special general meeting of shareholders to be held Thursday, November 21 to consider and, if approved confirm the re-insurance agreement between that company and Capital Life of Ottawa.

The meeting is expected to be purely routine.

It is understood that it will perhaps be another 60 days before this re-insurance plan is finally and formally ratified and approved.

Alberta Superintendent

EDMUND TROWBRIDGE

Deputy provincial secretary for Alberta, who will administer the Alberta Insurance and Fire Prevention Acts in addition to his other duties.

A personal sketch of Mr. Trowbridge appeared in last week's Financial Post.

Business Gain By Confederation In Nine Months

New business of the Confederation Life in the first nine months of 1935 is about 5 per cent higher than in the same period last year. Total new business to the end of October was $38.2 millions compared with $36.4 millions in the same period a year ago.

Total business in force at the end of the nine-month period amounted to $374.7 millions an increase of $10.5 millions over 1934.

The company also reports that 76 representatives have provisionally qualified for membership in the Macdonald club compared with but 44 a year ago. Provisional memberships in the company's "Confederation Club" are slightly lower at 113.

New business in October was $3.5 millions.

Insurance Inklings

J. P. MULLENS, member-elect in the federal house for Richmond-Wolfe constituency is a representative of the North American Life Assurance Co. at Sherbrooke.

G. A. GILLISPIE has been appointed district manager at Northern Ontario for North American Life Assurance Co.

GRAEME TAYLOR has been appointed assistant manager for North American Life Assurance Co. at Saint John, N.B. Born at Rothesay, N.B., Mr. Taylor has been with the company since 1932. He is at present at Sherbrooke, P.Q.

W. J. WARD, M.P. recently re-elected to the federal parliament from Dauphin, Man. is a representative of the Confederation Life in that community.

J. A. BEAUSEJOUR has been appointed manager of the Western Quebec division of the Confederation Life. He succeeds J. G. LeDroit now manager of the company's Montreal-St. Catherine branch. Mr. Beausejour joined the company in 1926 as representative at Brownsburg, P. Q.

J. J. FARMER, formerly district manager for Confederation Life at Ottawa-East division has been made divisional manager of that district to suceed J. A. BEASEJOUR.

J. F. McGALLUM has been made manager of Ottawa-West division of Confederation Life. He joined the company in Jan. 1934 as manager of Ottawa-Carleton district.

R. N. CORNISH, recently appointed acting secretary of the Montreal branch of the new Canadian Underwriters' Association, died in Montreal last week.

C. L. SCOFIELD, JAMES LESLIE and W. J. McCARTHY, former officials of the Canadian Fire Underwriters' Association, have retired on pension.

The Canadian Hardware and Implement Underwriters recently made the second increase in office space and staff in the past 20 months.

The Life Underwriters Association of Toronto reports a gain of 57 members through its campaign to increase membership to 450. The total now stands at 391, compared with 370 a year ago.

London Guarantee Wins Edmonton Fire Action

An appeal of Northwestern Utilities, Ltd., against an Alberta court decision in favor of the London Guarantee and Accident Co. and others has been dismissed by the Privy Council. The action, which involved approximately $300,000, arose from the destruction of the Corona Hotel, Edmonton, by fire.

At
Your Service

You have in your mind a list of people in your community who are ready to serve you in various capacities—the doctor, the dentist, the banker, the lawyer, the clergyman, each in his own field.

Add to this list the life insurance agent, who is especially qualified to advise you regarding your financial problems. With his help you can plan for the education of your children, the protection of your family, the security of your business, your own financial independence.

The Sun Life representative in your community is at your service. It will pay you to consult him.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE — MONTREAL

THE
MONARCH LIFE
ASSURANCE COMPANY
Established in 1906
A PROGRESSIVE CANADIAN COMPANY
HEAD OFFICE • WINNIPEG
Splendid Agency Opportunities Available

A MUTUAL COMPANY
NORTH AMERICAN LIFE
Solid as the Continent
Head Office: Toronto, Canada
ALL PROFITS FOR POLICYHOLDERS

A Word to Employers

The greatest asset you have is not listed on your books. It is the loyalty and goodwill of your employees.

Group Life Insurance
Stimulates Loyalty
Maintains Goodwill
Increases Efficiency

— and furnishes the means of showing in a substantial, helpful way your interest in your employees' welfare.

The services of our Group Department are at your disposal to work out the most effective plan to meet your individual requirements.

THE GREAT-WEST LIFE
ASSURANCE COMPANY
HEAD OFFICE...WINNIPEG, CANADA

Of Interest to Every Employer
.... GROUP INSURANCE

Co-operative Group Insurance brings to Employers and their Employees a sound and economical means of purchasing on a Group basis, protection against the hazards of Death, Sickness, or Old Age.

Group Insurance programmes, as set up by the Confederation Life Association, cover any or all of the following insurance requirements—

1. A Life Insurance Benefit— Protecting the Employee's family.
2. A Sickness and Accident Insurance Benefit— An income to the Employee disabled on account of sickness or accident.
3. A Retirement Annuity Benefit— An income to the Employee on retirement.
4. Supplementary Benefits— Accidental Death and Dismemberment Insurance. Hospitalization Benefits.

We offer low-cost co-operative plans of Group Protection to cover any or all of the above hazards

Consultation Invited

Confederation Life
Association
Head Office Group Division Toronto.

Bank Chat

Reserve Funds

MANY times have money cranks pointed to banks' reserve funds as an indication of enormous earning power. These, they claim, have been built up through "chiselling" the public. Such a view is not substantiated by the facts.

It is not altogether by coincidence that reserve has usually increased at the time a new issue of capital stock has been made. Bank stocks, nominally of $100 par value, have sold and been issued for two and three times that amount. The surplus over and above par value has usually been credited to reserve.

The amounts culled from this source have been substantial. In some banks they amount to 40 or more per cent of the total reserve. When the remaining portion is divided by the number of years the bank has been in operation, the average amount added to reserve annually is surprisingly small.

* * *

A Real Tribute

BANK OF COMMERCE managers believe in impressing their offspring with the importance of that institution. Up in Thorold, Ont., the other day, a school teacher asked "Can anyone in the class name one of the seven wonders of the world?" There was the usual momentary hesitation, then up fluttered the hand of the bank manager's daughter "I can—The Canadian Bank of Commerce."

As yet, the young lady, aged ten, has not submitted a bill for advertising services.

* * *

A Bank to End Banks

WHEN the government-owned Latvian Credit Bank was established last Spring, one of its main functions was to conduct the liquidation of banks and co-operative credit institutions in financial difficulties. A number of such institutions in this small post war republic have been taken over and so satisfactorily has this function been carried out that the bank's scope has been enlarged.

Last month it was empowered to liquidate commercial and industrial concerns. There is a limit to its powers, however. Activities are restricted to concerns which the government considers so unsatisfactory, financially speaking, that liquidation would be in the public interest.

Such powers might conceivably be very extensively utilized if a radical political party were successful at the polls. It would be of interest to speculate, for instance, just what might have been done by Hon. Mr. Stevens if he had been given a mandate at the recent election, and had authority to squelch business enterprises which he considered against the public interest. But then much more is said on the election platform than is actually carried out when the party is elected—page Mr. Aberhart.

* * *

An Old Spanish Custom

AWAY back in the days of the conquest of the West India Islands, coins were very, very scarce. They still are with a good many of us. However, the problem was partially solved by a rather primitive form of inflation. The old Spanish dollars which were the media of exchange, were cut into various sizes and circulated through the islands. Eventually these pieces or "bits" found their way into the Spanish settlements and trickled through into territory that was later annexed by the United States.

According to the Burroughs Clearing House, this was the origin of the slang expression so common throughout Canada and the States —"two bits."

* * *

The Annual Banquet

A PEP talk, an annual meeting, and a programme of entertainment thrown into one evening, spell the newest wrinkle in shareholders meetings. The management of one of the newer banks down in the United States felt that it was not on sufficiently intimate terms with those who held a financial interest. Consequently it devised the plan of holding the meeting in the evening and securing a leading hotel dining room as the locale. Some $500 was appropriated for the expenses of the meeting.

It proved to be money well spent. Shareholders were invited to bring guests along at a small charge. The president of the bank states "It was astonishing to observe the uncanny skill with which some of our stockholders who were practically unknown to the management came to the banquet bringing as their guests friends who control the banking arrangements of substantial commercial and other accounts." In all, some 300 persons were in attendance.

In Canada where banks are, on average, larger, and where, consequently, the number of shareholders is greater and more scattered, such a scheme might not be as effective. There is still plenty of room, however, for a much clearer realization of the functions and limitations of bank administrators by those who own the stock.

* * *

Staff Changes

THE **Bank of Nova Scotia** has made the following appointments:

W. K WATERS, formerly assistant manager at Montreal branch, to be manager of the investment department.

E. L. PIGGOTT to be assistant inspector.

The **Dominion Bank** announces changes in staff as follows:

M. E. ROBERTS, formerly manager at Kitchener, to be manager at Queen and Ossington branch, Toronto.

A. J. ESSERY, formerly manager at Kirkland Lake, to be manager at Davenport and Laughton branch, Toronto.

C. S. BLENKINSHIP to be manager at Kirkland Lake.

H. S. LANCEFIELD to be manager at Kitchener.

The **Bank of Montreal** has made the following staff changes:

H. J. EVENNETT, formerly at head office, to be manager at Sackville, N.B.

J. BAXTER, formerly manager at Sault Ste. Marie, to be manager at St. John's, Nfld.

G. V. LONG, formerly manager at San Jose, to be manager at Colon, R.P.

A. V. BURN, formerly manager at Bogota, to be joint manager at Havana.

P. H. EATON, to be accountant at Havana.

J. V. EAGAN, to be accountant at Toronto.

I. MCINTOSH, formerly of the supervisor's department at Havana, to be accountant at Camaguey, Cuba.

T. B. KEYES, formerly assistant accountant at Halifax to be accountant at Truro.

A. G. PUTNAM, of Sackville, N.B., and J. W. CAMERON, of St. John's, Nfld., have retired on pension.

TRANSFER AGENT

This institution is fully equipped to render a complete service as Trustee, Registrar, Transfer Agent, Agent under Escrow or Pooling Agreement, etc.

Should you desire to use any of these services, we would be pleased to discuss them with you.

MONTREAL TRUST COMPANY
61 Yonge St., Toronto
J. F. HOBKIRK, Manager

Chinese Money Reforms Need Public Confidence

Four-point Programme Depends Largely on Ability to Nationalize Silver and Regulate Exchange — Chinese Dislike Paper Currency

China has departed from silver.

Actually she abandoned the silver standard in October, 1934, when she sought to check deflation through an embargo on exports of the white metal. Now she has gone still further and has called for nationalization of silver and made bank notes legal tender.

The export ban was effective to the extent of maintaining the volume of silver at Shanghai at about 260 million ounces, but was circumvented by extensive smuggling, even in the face of a death penalty. That the new programme will meet with success is frankly doubted by many leading authorities. It appears to hinge largely on the ability to persuade the Chinese to give up hoarded silver and in its place to accept paper currency as a means of exchange and on the ability to effectively stabilize the Chinese dollar.

Four Point Programme

Briefly, the programme comprises four main planks. Nationalization of silver, stabilization of the dollar at about 30 cents in Canadian funds, centralization of bank note issue and legalization of bank notes for payment of all debts expressed in terms of silver.

Despite unexpected support of the central government's policy from the Southwestern Authorities, and assurances from the minister of finance that there is country-wide support of the scheme, authorities are inclined to doubt the practicability of the nationalization programme. The task of convincing the Chinese people, millions of whom have never even seen a bank note, that these can take the place of the silver which they have used as currency for hundreds of years appears to be an almost insuperable task. The problem of smuggling is also still to be solved.

Little likelihood is seen that the principal foreign banks, through which much of the country's business is conducted, will consent to relinquish their silver holdings. It is understood that the bulk of silver held by these banks to back their notes is not in China, but in England and India. Japanese banks are said to be definitely unwilling to co-operate.

Exchange Policy

The Government has stated that in order to stabilize the dollar it will buy and sell foreign exchange in "unlimited quantities." China's balance of trade has been decidedly unfavorable and the balance of payments has been still further affected by the outflow of capital. Failing a substantial loan, exchange operations would likely be carried on through a stabilization fund consisting of the nationalized silver. In such a case, the success of the plan is regarded as being dependent to a large extent on American silver policy.

Centralization of note issue is chiefly a domestic concern and should have relatively little repercussion on other countries. It is of interest to note that issue will be confined to government banks. Notes of foreign banks have heretofore enjoyed much greater prestige than those of the native banks. Withdrawal of these from circulation may result in a flight of capital from the country. It is believed that the calling in of these notes may release the silver which has been held against them outside of China.

Wary of Notes

Introduction of notes as legal tender means, of course, a managed currency. The effects of this change will, therefore, not be apparent until some "managing" has been done. The Government is said to be determined to steer clear of inflation, the bogey of most management attempts. Most Chinese are considered hard money advocates, having but little faith in paper money, and for this reason some doubt if the departure from silver will meet with approval. Already small dealers and farmers are reported to regard the future value of the new legal tender as very uncertain. It is said that they are refusing to accept future payments in notes.

The immediate effect of the programme in China has been to raise the price level. Although the Government has threatened drastic action against speculators and profiteers, the price of rice and of other necessities has already advanced. The effect on trade will depend largely on the confidence the Government can create in the note currency and on its ability to maintain the exchange value of the dollar. If the rate of exchange moves against China, it will, of course, serve as a tariff against imports and at the same time assist her exporters. It is as yet rather early to measure the success or failure of the exchange plan. The exchange rate trend has been downward, however, since the announcement of the new policy was made. Demonetization of silver should enable China to sell the metal in the world market without injuring her internal economic situation.

Effect on Silver

Apart from trade relations with China, the chief interest to the rest of the world would appear to lie in the effect on the price of silver. Experts are extremely cautious of making any definite prediction. If, in order to stabilize exchange, China is forced to unload large blocks of silver, some believe the price of the metal might very well be adversely affected. It is believed that much will depend on United States' policy in this regard. She is the largest market, and is committed to purchase silver until it is equal to one third of her gold reserves or until the price rises to $1.29. In order to bring silver holdings up to the required percentage of gold, it is estimated that the States will still have to buy about $1.5 billions of silver.

On the other hand, silver advocates contend that overhanging stocks of silver in China and India have prevented the United States' Government from hoisting the price more rapidly. With a large portion of this virtually impounded, they argue that one of the main hindrances to a price advance has been overcome.

The reform measures were not unexpected. Some such action has been considered probable since the rise in the price of silver some months ago. Rumors were widespread in the weeks prior to the announcement, and the Chinese minister of finance gave a very obvious hint only two weeks before. For some weeks, the London price of silver had been easy, anticipating a change. When that change came, prices rebounded.

Japan Opposed

Japan is the only country to regard the new policy with any great alarm. She evidently fears a Chino-British accord, which she views as reviving British activity and influence in China. Her press is carrying on a strong campaign against the reforms.

China's financial and business troubles, which the programme of monetary reform is designed to remedy, have arisen chiefly because at a time when most other countries were inflating in greater or less degree, she was confronted with deflation. While the currencies of most other countries were depreciating, hers was forced upward as the United States' silver buying policy caused the price of silver to soar. Most onlookers are adopting a waiting attitude to see whether the reforms she has instituted are practicable and whether they will actually solve her problems.

Commerce Appointment

R. B. BUCKERFIELD

Who has been appointed manager of the London, Eng., branch of the Canadian Bank of Commerce. Mr. Buckerfield has lately been the bank's second agent at New York and was formerly head of the foreign department at head office.

Bank of Canada Weekly Statement

The largest change in last week's Bank of Canada statement was again in advances to the government. An increase of $8.5 millions during the week, brought the total rise for the past three weeks to about $20 millions. It is expected that this amount will be almost entirely wiped out when effect is given in the accounts of the bank to the recent $75 million government bond issue.

Other changes of the week include an increase of $7.4 in deposits of chartered banks, a drop of $3.5 millions in government deposits, and a decline of $2.6 millions in reserves held in the United States.

Balance Sheet

	—Weeks Ending— Nov. 6 $	Oct. 30 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	97,479,803	95,516,999
Dep.: Dominion	18,178,905	21,626,987
Banks	198,650,089	191,222,718
Other	1,424,043	393,553
Total deposits	218,253,037	213,243,258
All other liabs.	2,147,595	1,105,340
Total liabs.	322,880,436	314,865,597
Assets		
Reserve: Gold	181,302,819	181,406,540
Silver bullion	1,667,521	1,576,921
Res. in sterling	121,161	892,997
Res. in U. S.	3,470,436	6,118,583
Res. elsewhere	14,063	10,773
Total reserve	186,576,000	190,005,814
Subsidiary coin	267,938	332,723
Adv. to govt.	24,224,063	15,725,438
Investments:		
Dom. govt. short.	27,414,106	25,903,947
Other Dom. govt.	80,887,145	80,887,145
Total invest.	108,301,251	106,791,092
Premises	127,576	127,575
All other assets	3,383,608	1,882,955
Total assets	322,880,436	314,865,597
Reserve ratio	59.09%	61.53%

Aikman Becomes Partner Of Jones, Heward and Co.

From Our Own Correspondent

MONTREAL.—R. Edward Aikman has been elected a member of the Montreal Stock Exchange. He has been associated with Jones Heward and Co., Montreal, since 1930, and will now enter a partnership and represent the firm on the floor of the Exchange.

The partnership of Jones, Heward and Co. now consists of Brian Heward, Newbold C. Jones, Richard F. Angus, Sydney C. Scobell and R. E. Aikman.

Colonel J. D. MacPherson, member of the Montreal Stock Exchange who has been a partner of Jones, Heward and Co. since 1925, has announced his retirement from the firm. Col. MacPherson will continue to do business on the Montreal Stock Exchange under his own name.

Weekly Bank Clearings

	Nov. 7 1935 $	Change year ago %	Oct. 31 1935 $
Halifax	2,655,708	+5.8	1,993,789
Saint John	1,986,014	+4.6	1,537,934
Sherbrooke	701,670	+2.1	560,234
Quebec	6,501,917	+3.7	4,426,127
Ottawa	28,142,600	+441.0	15,104,665
Kingston	684,083	—1.2	511,750
Peterborough	747,167	—11.1	723,923
Toronto	118,604,943	+3.6	109,040,717
Hamilton	5,119,496	+17.7	4,064,850
Kitchener	1,215,625	+18.1	941,344
Brantford	976,445	+11.1	690,136
London	3,122,001	—2.1	2,645,372
Chatham	466,040	—13.1	396,159
Windsor	2,438,897	+34.0	2,086,548
Sarnia	544,429	+13.7	381,301
Sudbury	853,021	+16.7	834,493
Moncton	793,728	+0.2	711,734
Montreal	109,279,764	—5.2	92,973,192
Fort William	828,378	+2.4	545,319
Winnipeg	62,887,369	—7.2	67,820,449
Brandon	421,070	—2.5	350,846
Regina	4,870,208	+4.8	6,356,856
Moose Jaw	907,088	+51.6	588,616
Saskatoon	2,115,356	+11.6	1,997,938
Prince Albert	423,025	+10.2	385,851
Edmonton	4,402,965	—8.0	4,054,109
Calgary	8,136,367	+26.4	9,855,251
Medicine Hat	307,204	+8.2	327,996
Lethbridge	676,564	+16.9	527,994
N. W'minster	692,085	+25.9	537,005
Vancouver	19,069,120	+23.5	17,476,951
Victoria	1,991,455	+18.1	1,480,000

Dominion Bank Director

JOSEPH M. PIGOTT

Who has been elected to the board of directors of the Dominion Bank. Mr. Pigott is president of Pigott Construction Co. and a director of United Fuel Investments, Ltd., both of Hamilton.

Banque Can. Nationale Makes Executive Changes

From Our Own Correspondent

MONTREAL.—Banque Canadienne Nationale announces the following changes in personnel:

PAUL LAROQUE, who was secretary of the bank, has been appointed manager of the investment department.

LEO LORRAIN has been appointed secretary of the bank. He will continue to act as manager of the publicity department.

Imports From Abroad

Imports from foreign countries during the six months ended September amounted to $186.9 millions.

Foreign Exchange Markets

The week's exchange markets were featured by the decline in the Chinese and Hong Kong dollars, following announcement of the Chinese monetary reform programme. Quotations for the Hong Kong dollar have in the past been about ten per cent higher than those for the currency of China proper, but it contains only about 3¼ per cent more silver. It is believed that it will be allowed to depreciate until it is more in line with the Chinese dollar.

From London comes advice that opinion is widespread there and on the continent that if the Baldwin government is returned it will press for early currency stabilization.

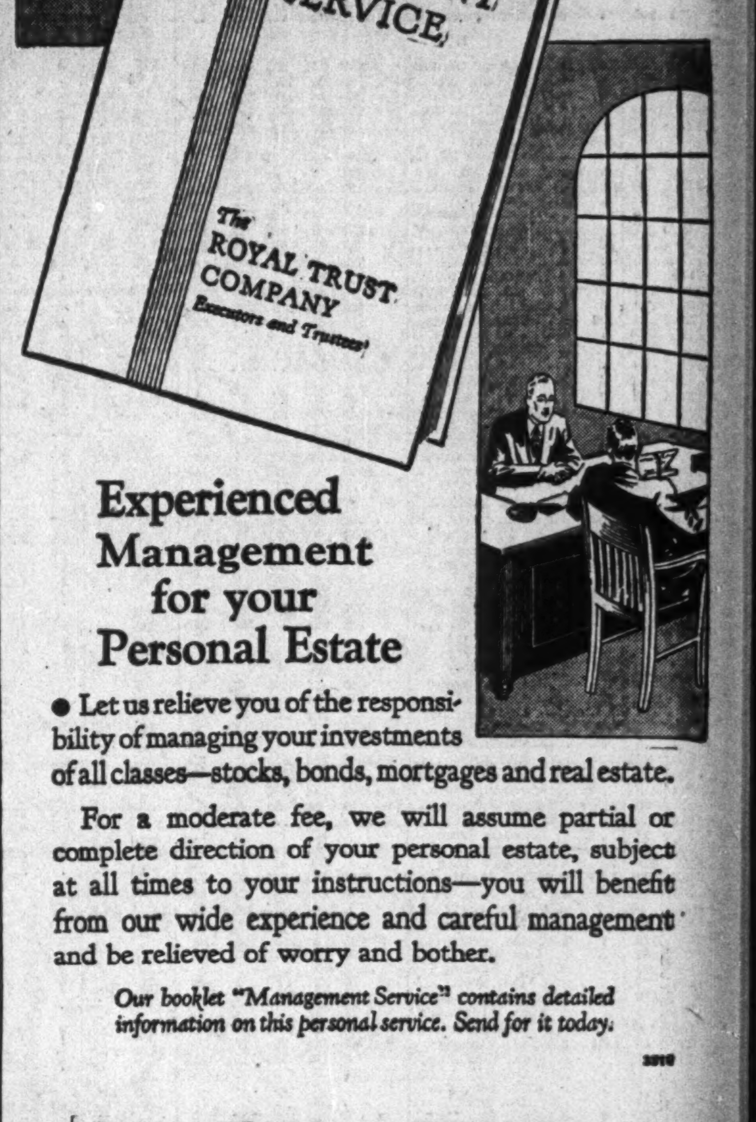
FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	Nov. 5	Nov. 6	Nov. 7	Nov. 8	Nov. 9
U. S. dollar, High	.5906	1.01 1/16	1.01 1/16	1.01 1/16	1.01	1.01 1/16
Low	.5906	1.00⅞	1.01	1.00 15/16	1.00 15/16	1.00 15/16
1934, High	.5906	0.97¾	0.97¾	0.97 9/16	0.97⅝	0.97 11/16
Low	.5906	0.97 11/16	0.97 9/16	0.97½	0.97 9/16	0.97 11/16
U. K. pound	4.8665	4.97¾	4.97	4.97	4.97½	4.97½
Argentina	.4246	.2746	.2748	.2746	.2739	.....
Australia	4.8665	3.9680	3.9703	3.9709	3.9739	3.9749
Austria	.1407	.1884	.1904	.1902¾	.1902¾	.1902¾
Belgium	.1392	.1709	.1709	.1707	.1707	.1708
Brazil	.1963	.0566	.0571	.0565½	.0565½	.0570½
Czechoslovakia	.0296	.0421	.0418½	.0418½	.0418⅜	.0418¼
Denmark	.2680	.2222	.2221¼	.2220	.2223	.2222
France	.0392	.0667	.0666	.0665½	.0665½	.0665¼
Germany	.2382	.4075	.4065¾	.4065¼	.4065¼	.4065¼
Greece	.013	.0096⅛	.0096	.0095½	.0095½	.0095½
Holland	.4020	.6858	.6865	.6862	.6861	.6861
Hungary	.1749	.2975	.3001	.2999¾	.2999¾	.2999¾
India	.3650	.3747	.3786¾	.3781½	.3784½	.3785½
Italy	.0526	.0840	.0819½	.0819	.0819	.0819½
Japan	.4985	.2935	.2908½	.2903¾	.2908¾	.2908¾
Jugoslavia	.1929	.0232	.0231½	.0231¼	.0231½	.0231½
New Zealand	4.8665	4.0080	4.0103	4.0109	4.0139	4.0149
Norway	.2680	.2500	.2499¼	.2498¾	.2501¾	.2500¾
Poland	.1122	.1907	.1910	.1909	.1909	.1909
South Africa	4.8666	4.9450	4.9479	4.9486	4.9524	4.9537
Spain	.1929	.1382	.1380½	.1379	.1379	.1379
Sweden	.2680	.2566	.2565	.2564¼	.2567½	.2576½
Switzerland	.1930	.3283	.3286½	.3285	.3285½	.3285½
Hong Kong	.5422	.3800¾	.3754½	.3565¼	.3560¼	.3444

Crawford Gordon Honored By British Banking Body

Crawford Gordon, recently appointed manager of the Toronto branch of the Canadian Bank of Commerce, was elected a vice-president of the British Bankers' Association shortly before his transfer was announced. Mr. Gordon had been manager of the Bank's office in London, Eng.

Canadian Pacific Express
Travellers Cheques
Are World Currency
Carry them on your next trip and be assured of travel comfort.
Get them from any agent of the Canadian Pacific & most Banks



Experienced Management for your Personal Estate

● Let us relieve you of the responsibility of managing your investments of all classes—stocks, bonds, mortgages and real estate.

For a moderate fee, we will assume partial or complete direction of your personal estate, subject at all times to your instructions—you will benefit from our wide experience and careful management and be relieved of worry and bother.

Our booklet "Management Service" contains detailed information on this personal service. Send for it today.

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General Manager: R. P. Jellett
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Toronto 59 Yonge Street
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ASSETS UNDER ADMINISTRATION EXCEED $736,000,000

DOMINION BATTLESHIP LINOLEUM

CUSTOM BUILT FLOORS

Dignified appearance, quiet, foot-comfort, so essential to successful retail store operation, are assured with Dominion Battleship Linoleum floors. Custom built, it is a simple matter to incorporate in them as well, an intimate, distinguishing, personal note such as Holt, Renfrew & Co.'s monogram crest. Permanent, easily-maintained Dominion Battleship Linoleum comes in nineteen colours and effects including plains, jaspés and marbles, and may be cut into any shape in any size. Write for suggestions and details of our 5-year guarantee.

● *How much of your Overhead is Underfoot?*

DOMINION OILCLOTH & LINOLEUM CO. LIMITED MONTREAL

$1,400,000

Lower St. Lawrence Power Company

Twenty-Year 5% First Mortgage Sinking Fund Bonds Series "A"

To be dated October 1, 1935. To be due October 1, 1955

Principal and semi-annual interest (April 1 and October 1) payable in lawful money of Canada in the Cities of Halifax, St. John, Quebec, Rimouski, Montreal, Ottawa, Toronto, Hamilton, London, Ont., Winnipeg, Regina, Calgary and Vancouver. Redeemable at any time in whole or in part for Sinking Fund or otherwise at the option of the Company upon sixty days' notice at 105% up to and including October 1, 1936, and thereafter at prices decreasing ¼ of 1% per annum, up to and including October 1, 1948, and thereafter prior to maturity at 102, in each case with accrued interest to the date of redemption. Coupon Bonds registerable as to principal only in denominations of $1,000, $500 and $100. Fully registered Bonds in denominations of $1,000 and authorized multiples thereof.

Trustee: The Sun Trust Limited, Montreal.

The following information has been supplied by Mr. J. A. Brillant, President of the Company:

CAPITALIZATION

	Authorized	Issued
First Mortgage Bonds	$3,000,000	
5% Series "A" (due October 1, 1955)—this issue		$1,400,000
6% Notes (due October 1, 1937)		$95,000
6% Non-cumulative Preferred Shares	$800,000	$800,000
Common Shares (No Par Value)	20,000 shs.	20,000 shs.

THE COMPANY AND THE TERRITORY SERVED

Lower St. Lawrence Power Company was incorporated in 1922 under the laws of the Province of Quebec for the purpose of developing and distributing hydro-electric power. Since that time it has been in continuous and successful operation.

The territory served by the Company is a well settled and prosperous part of the Province of Quebec, principally devoted to agriculture and lumber. Electricity is furnished to forty-seven communities, having a total population in excess of 50,000, and in addition the Company supplies the residents of the Town of Campbellton, N.B., having a population of over 9,000, through a wholesale contract with that Town. Apart from customers indirectly served in the Town of Campbellton, the Company has 5,200 customers. The large number of customers, the extended territory served, and the relatively small average consumption per customer, has resulted in unusual stability of earning power. Average annual income available for interest, depreciation and income and profits taxes for the four years and eight months ended August 31st, 1935, amounted to $144,399 or equivalent to 2.06 times interest requirements on this issue of Series "A" Bonds, and shows an upward trend.

These Bonds are offered for sale when, as and if issued and received by us, and subject to the approval of Counsel as follows:—

All legal details in connection with the creation and issue of the Bonds and the validity of the Trust Deed securing the same will be subject to the favourable opinion of Messrs. MacDougall, Macfarlane, Scott & Hugessen for the underwriters, and Mr. F. Curzon Dobell for the Company.

The rights of the Company to the water power comprising the Metis Falls plant will be subject to the favourable opinion of Messrs. MacDougall, Macfarlane, Scott & Hugessen.

The Company's title to its immoveable properties and rights (other than the rights above mentioned and other than transmission line properties) will be subject to the favourable opinion of Messrs. Gagnon & Simard, Rimouski, P.Q.

PRICE: 100 and accrued interest, to yield 5%

R. O. Sweezey & Company, Limited
210 St. James Street West, Montreal

McLeod, Young, Weir & Co., Limited
Metropolitan Building, Toronto

Hanson Bros. Incorporated
330 Bay Street, Toronto

The information contained herein is based upon statements and statistics on which we have relied. We do not guarantee but believe the statements herein made to be true.

Quotations

Montreal, Toronto and Curb Prices

Canadian Bond Markets

WEEK ENDING NOVEMBER 11

Range 1935 High	Low	Divd. Rate $	Y'ld in % Nov. 9		Sales	Close Nov. 4 (last)	Week Ending (or Nov. 11) High	Low	Close
				A					
2.00	.50	.	...	Abitibi	610	.95	1.00	.80	.80
9¼	3	.	...	Do. pref. 6%	250	5¼	5	4½	4½
6¾	3	.	...	Do. cert. dep.	10	4½	4½	4½	4½
5	5	.	...	Acadia Sugar	....	5	..	..	..
7	3	.	...	Acme Glove	50	5	6½	6½	6½
46	32	3.25	7	Do. pref.	55	45	46	46	46
10	7½	40+20c	7	Agnew Surp.	....	8½	..	..	..
108½	96	7	7	Do. pref.	30	99	100	100	100
3½	1	.	...	Alta. Pac. Gr.	10	2	3½	3½	3½
29	15	.	...	Do. pref.	130	18½	18½	18½	18½
25	25	.	...	Aluminium	....	25	..	..	..
2	1½	.	...	Amal. Electric	....	2	..	..	..
18	12	.	...	Do. pref.	....	12	..	..	..
29	16	40c	...	Amer. Cyn. B.	1100	26½	29	27½	29
30½	25	.	...	Amer. Celanese	....	25	..	..	..
18	6	.	...	Asbestos v. t.	1105	16½	16½	16	16
13½	8½	.	...	Assoc. Brew.	....	10	..	..	..
110	104	7	6.4	Do. pref.	....	108½	..	..	..
4	1½	.	...	Assoc. Can.	....	3	..	..	..
105½	104½	7	6.7	Atlan. Sugar, p.	....	105	..	..	..
				B					
66½	51½	2.52	4.7	Bank of Canada	279	52½	53½	52½	53
132	126	8	6.1	Bk. Can. Nat.	72	130	130	130	130
204	152	8	4.3	Bk. Montreal	233	185	186	184	184
305	245	12	4.5	Bk. N. Scotia	116	261	265	258	265
235	183	10	4.9	Bk. Toronto	56	203	204	203	204
11	10	50c	...	Barcelona	....	10½	..	..	..
10	4½	.	...	Bathurst Pr.	2400	8½	9½	8½	9
4	1	.	...	Do. (B)	271	3	3½	2½	2½
3.00	.50	.	...	Bawif Grain	100	1.00	1.00	1.00	1.00
40	17	.	...	Do. pref.	....	17	..	..	..
3	3	.	...	Beath & Sons	....	3	..	..	..
15	8½	.	...	Beatty Bros. A	225	9	10½	9	10
95	85	6	6.5	Do. pref.	27	90	92	90	92
7½	2½	.	...	Beauharnois	746	3½	4	3½	4
98½	85	4	4.3	Belding Cort.	....	92	..	..	..
125	116	7	5.6	Do. pref.	....	125	..	..	..
136	118	6	4.4	Bell Telephone	783	133½	136	133	135½
25	13	1.50	...	Biltmore Hats	25	25	25	25	25
110	97½	7	6.5	Do. pref.	....	109	..	..	..
4	3½	.	...	Bissell, T. E.	....	4	..	..	..
35	25	.	...	Do. pref.	....	31½	..	..	..
3½	1½	.	...	Blue Ribbon	....	1½	..	..	..
29	19	2	7.4	Do. pref.	40	27	27	27	27
30½	27½	2	6.6	Brant. Cord. pf.	185	30	30	30	30
10½	7½	.	...	Brazilian Tr.	27815	7½	8½	7½	8½
1.45	.55	.	...	Brew. & Distill.	8170	1.30	1.30	1.20	1.25
4.25	1.00	.	...	Brewing Corp.	7735	1.80	2.50	1.75	2.25
22½	8	1.50	13.4	Do. pref.	3102	11	11½	9½	11½
14	11	30c	2.7	Bright, T. G.	....	11	..	..	..
77½	75	6	8	Do. pref.	....	75	..	..	..
16½	13½	80c	4.9	Brit. Amer. Oil	10586	16	16½	16	16½
1.75	50	.	...	B. C. Packers	2640	1.00	1.00	.85	1.00
22½	13	.	...	Do. pref.	5	17	22½	22½	22½
30½	21	1.50	5.1	B. C. Power A.	651	29	29½	28	29½
5	2	.	...	Do. (B)	118	4½	4½	3	3
18½	14½	1.20+10c	7	Bruck S. Mills	2625	18½	18½	18	18½
34½	25½	1	3.2	Building Prod.	1064	31	31½	30	31
38	29½	2	5.2	Burt, F. N.	100	37½	38	37	38
				C					
84½	80	6	7.5	Calgary Pr.	....	80	..	..	..
5½	2	.	...	Canada Bread	630	3½	3½	3½	3½
92	63	1	...	Do. pref. A.	80	91	90	90	90
30	17	.	...	Do. pref. (B)	35	28½	28	28	28
9	5½	20c	...	Canada Bud	2470	7	7½	6½	6¾
8½	5	.	...	Canada Cement	4226	6½	7	6½	6½
64½	49½	.	...	Do. pref.	2619	56½	61	56	58½
60½	55	1.50+50c	...	Can. & D. Sugar	115	55	58½	58½	58½
16½	8½	.	...	Canada Dry	14200	13½	13½	12½	13½
7	2	.	...	Can. Forg. (A)	10	4½	6	6	6
1½	1½	.	...	Do. (B)	....	1½	..	..	..
35	18	.	...	Canada Iron	....	30	..	..	..
55	50	3	5.9	Do. pref.	....	51	..	..	..
450	450	20	4.4	Canada Life	....	450	..	..	..
35½	29	1.50	4.3	Can. Malting	5961	34½	35½	34	34½
24½	17½	1.20	4.9	Can. Nor. Pr.	1064	24½	24½	22½	23½
108½	98½	7	6.4	Do. pref.	72	108	108½	107½	108
82½	50	75c	...	Can. Packers	537	80	82½	80	82½
115	110	7	6.3	Do. pref.	435	111	111	110	110
75	60	.	...	Can. Paper, pf.	26	65	75	75	75
.05	.05	.	...	Can. Paving	....	.05	..	..	..
3½	2	.	...	Do. pref.	10	3	2	2	2
150	119	8	6.2	Can. Perman.	21	127	127	127	127
2½	1	.	...	Can. Steamsh's.	70	1½	1½	1½	1½
11½	6	.	...	Do. pref.	290	8½	8½	8	8
29	23	1.60	5.9	Can. Vinegars	1796	26½	28	26½	27
20	13½	.	...	Can. W. Cable	5	13½	13½	13½	13½
8	4½	.	...	Do. (B)	220	5	5	5	5
2½	1	.	...	Can. Bakeries	....	2	..	..	..
28	13	.	...	Do. pref.	....	28	..	..	..
169½	120	8	5.4	Can. Bk. Com.	111	148½	148	146	147
32	26	60c	1.9	Can. Bronze	50	30	30½	30	30½
117	110	7	6	Do. pref.	31	116	116	115	115
6½	3½	.	...	Can. Canners	125	5	5	5	5
94	75	6	7	Do. 1st pfd.	18	84½	84½	83	84½
9½	4½	.	...	Do. 2nd pfd.	935	7½	8½	7½	7½
8½	4½	.	...	Can. Car & Fd'y	2005	5½	5½	5½	5½
17	10½	.	...	Do. pref.	790	12	12½	11½	11½
24½	18½	.	...	Can. Celanese	1715	23½	24½	23½	24
120	100	7	6	Do. pref.	65	115	118	116½	116½
20½	18	.	...	Do. Rights	270	19	19½	19½	19½
32	25	2	8	Can. Convert.	5	29	25	25	25
66	36	4	8.2	Can. Cottons	50	38	48½	48½	48½
105	93½	6	6	Do. pref.	40	100	100	96	100
38	19½	75c	2	Can. Dredge	1431	37½	37½	36	36
113	106	7	6.1	Do. pref.	49	113	113	113	113
90	85	6	6.7	Can. Fairb. pf.	....	90	..	..	..
30	18	1.60	6.4	Can. For. Inv.	335	21	25½	23	25
107½	103	8	7.5	Do. pref.	....	107	..	..	..
160	145	3	1.9	Can. Gen. Elec.	....	155	..	..	..
64½	57½	3.50	6	Do. pref.	135	57½	57½	57½	57½
6½	6½	40c	...	Can. G. Inv.	....	6½	..	..	..
82½	37	6	13.6	Can. Hyd. El. p.	589	44	44	42½	44
10½	6½	.	...	Can. Ind. Alc.	14455	9½	10	9	9½
9½	6	.	...	Do. (B)	4886	7½	8½	7½	8
198½	178½	4+75c	2.5	Can. Indust. B.	....	193	..	..	..
163	148	7	4.2	Do. pref.	....	163	..	..	..
2	2	.	...	Can. Int. I. Tr.	....	2	..	..	..
25	20	.	...	Do. pref.	....	25	..	..	..
30	21	1	4.8	Can. Lt. & Pr.	....	21	..	..	..
4	2	.	...	Can. Locomo.	....	2½	..	..	..
2½	1	.	...	Can. Marconi	2400	1½	1½	1½	1½
15	11	50c	3.4	Canadian Oil	255	14½	14½	14	14½
127	113	8	6.5	Do. pref.	52	122	122	122	122
13½	8½	.	...	Can. Pacific	16914	9½	10½	9½	10
.15	.10	.	...	C. Pr. & Pa Inv	....	10	..	..	..
4½	3½	.	...	Do. pref.	....	3½	..	..	..
1.95	1.00	.	...	Can. Vickers	....	1.95	..	..	..
16	6½	.	...	Do. pref.	25	10	10	10	10
6	2½	20c+5c	...	Can. Wineries	355	3½	3½	3½	3½
19½	15	25c▲	...	Can. Wire Box	680	18½	19½	18	18
17	9	.	...	Catelli Mac (A)	265	14	17	15	17
2½	1½	.	...	Do. (B)	6	2½	2½	2½	2½
§245	245	8	...	Cent. Can. L'n.	....	..	..	..	..
2.35	.55	.	...	Chem. Research	3350	.85	.80	.75	.75
2½	1½	.	...	City Gas & Elec	....	1½	..	..	..
.45	.20	.	...	Claude Neon	....	.35	..	..	..
17.00	12.50	92c	5.4	Coast Brew.	497	16.50	17.00	16.00	16.75
9½	6	.	...	Cockshutt Plow	4170	7½	8½	7½	8½
.90	.45	.	...	Comm. Alcohol	300	.75	.75	.70	.70
1.00	.25	.	...	Conduits	50	.80	.25	.25	.25
61	48	.	...	Do. pref.	....	50	..	..	..
17½	11½	20c	...	Cons. Bakeries	1230	16½	17½	16½	17
2.12	.70	.	...	Cons. Paper	1244	1.20	1.15	1.00	1.10
7	5	.	...	Cons. Press	....	7	..	..	..
26½	25	.	...	Cons. Sand. pf.	....	25	..	..	..
193½	125½	1.25	...	Cons. Smelters	911	190	192½	189½	191
193	184	10	5.2	Consumers' Gas	120	190	191	190	191
90	30	1.75	...	Corr. P. Box p.	30	85	86	86	86
7	5	.	...	Cosgrave Brew.	....	7	..	..	..
20	14½	35c	...	Cosmos Imp.	400	18½	19	18½	19
108	102½	7	6.6	Do. pref.	4	105½	105	105	105
2½	1½	.	...	Crown Dom. Oil	50	2½	2½	2½	2½
29	25	2	...	Crow's N. Coal	9	29	27	27	27
				D					
1	1	.	...	David & Fre. B	....	1	..	..	..
4	1½	.	...	Do. (A)	....	1½	..	..	..
2½	1½	.	...	De Havilland	....	2	..	..	..
30½	30	.	...	Do. (A)	....	30½	..	..	..
†9	5	.	...	Disher Steel	....	.	..	..	..
6½	6½	.	...	Do. pref.	....	6½	..	..	..
34½	13½	.	...	Distill-Seagram	6706	33½	33½	32½	33½
201½	141	10	5.4	Dom. Bank	241	180	184	180	182½
34	24½	1.20	3.5	Dom. Bridge	3531	32½	33½	32½	33½
18½	14½	75c	...	Dom. Coal, p.	11000	16½	17½	16½	16½
23	17	.	...	Dom. Engineer.	700	20½	23	20½	23
120	90	5	5.2	Dom. Glass	35	100	95	95	95
145	129½	7	5.3	Do. pref.	2	129½	132	132	132
.10	.10	.	...	Dom. Motors	....	.10	..	..	..
36	32	.	...	Dom. Oilcloth	....	36	..	..	..
1	1	.	...	Dom. Pr Stubs.	....	1	..	..	..
85½	80	7	8.2	Dom. Rubber, p	....	85½	..	..	..
6	3½	.	...	Dom. St. & C.B.	4920	4½	5½	4½	5
12½	6½	.	...	Dom. Stores	6047	9	10½	8½	9½
7½	3½	.	...	Dom. Tar & Ch.	4335	4½	5½	4½	4½
72	42	.	...	Do. pref.	878	60	65	61	62
82½	60	5	6.8	Dom. Textile	175	73	73	72½	72½
149	130	7	4.6	Do. pref.	75	140	149	147	149
4½	1½	.	...	Donnacona P. A.	....	1½	..	..	..
1.80	1.00	.	...	Do. (B)	....	1.80	..	..	..
5½	3	.	...	Dryden Paper	440	4½	4½	4½	4½
				E					
2½	1	.	...	East. Koot. Pr.	....	1	..	..	..
14	5	.	...	Do. pref.	20	5	6	6	6
3	1½	.	...	East. Dairies	197	2½	2½	2½	2½
13½	12	.	...	Do. pref.	20	12½	13½	13½	13½
10	5	.	...	East. Steel	....	8½	..	..	..
90½	80	7	8.7	Do. pref.	2	85	80	80	80
8	7½	.	...	East. Theatres	....	7½	..	..	..
85	58½	7	8.2	Do. pref.	....	85	..	..	..
3½	1	.	...	Easy Washing	....	1½	..	..	..
20	13½	25c	...	Economic Inv.	....	15	..	..	..
†15	15	.	...	Edmonton D'y	....	..	..	..	..
†80	78½	6.50	...	Do. pref.	....	..	..	..	..
1	1	.	...	Enamel & Heat.	....	1	..	..	..
12½	7	.	...	Eng. Electric	50	9½	12	12	12
6½	3	.	...	Do. (B)	20	4	5	4½	5
9	6½	30c	...	European El. A	....	7	..	..	..
				F					
16½	10	50c	...	Fam. Players	....	16	..	..	..
17	14	.	...	Do. Vot. Tr.	....	17	..	..	..
12½	7½	50c	4.2	Fanny Farmer	9258	11½	12½	11½	12
32½	23½	50c	...	Ford Motors A.	9233	28½	29½	28½	29
2.25	.50	.	...	For. Pr. Secs.	185	.55	.60	.60	.60
13½	9½	.	...	Foundation Co.	490	11½	12	11½	12
5	2½	.	...	Fraser Cos.	45	4	4½	4½	4½
5	1½	.	...	Do. Vot. Tr.	120	3½	4	3½	4
61	54	6	10.9	Freiman, pf.	....	55	..	..	..
4	2	.	...	Frost Steel	....	3	..	..	..
86	68	1.75▲	...	Do. pref.	....	80½	..	..	..
				G					
5½	3	.	...	Gen. St. Wares	1264	3½	4½	3½	4½
55	35	.	...	Do. pref.	475	47	49½	47	49
72½	59	62c	...	Goodyear Tire	901	64	66½	64	66½
55½	51½	2.50	4.5	Do. pref.	191	54½	55½	54½	55½
1½	1	.	...	Gt. W. Saddlery	....	1	..	..	..
20	14	.	...	Do. pref.	....	15	..	..	..
6½	4	.	...	Gurd, Chas.	460	4½	5½	4½	5½
100	80	7	7	Do. pref.	....	100	..	..	..
7½	4½	.	...	Gypsum, Lime	8782	5½	6½	5½	6½
				H					
5½	3	.	...	Ham. Bridge	220	3½	4½	3½	4½
33	18	.	...	Do. pref.	420	21	21½	21	21
30½	24	50c	...	Ham. Cot. pf.	10	23½	25	25	25
2½	2½	.	...	Ham. U. Theat.	....	2	..	..	..
60	48	4	...	Do. pref.	....	50	..	..	..
3½	2½	.	...	Harding Carpet	120	3	3½	3	3½
12	10	12½c	...	Hinde & Dauch.	750	11½	12	11½	12
6	5	.	...	Holt Renfrew	....	5	..	..	..
30	25	.	...	Do. pref.	....	25	..	..	..
.60	.15	.	...	Honey Dew	200	.50	.50	.50	.50
8	6	.	...	Do. pref.	10	7	7	7	7
13	9	.	...	H. Smith Pap.	2990	11½	13	11½	12½
100½	84	.	...	Do. pref.	205	100	100½	100	100½
35	28	2	5.7	Humberstone S.	110	34	35	34	35
11	6	.	...	Hunts (A)	....	6	..	..	..
11	7	.	...	Do. (B)	....	7	..	..	..
103	81	6	7.2	Huron & E. Mt.	52	85	85	83	83
17½	14	.	...	Do. 20% pd.	20	14	14½	14½	14½
4½	3	.	...	Hydro Electric	200	4½	4½	4½	4½
				I					
208½	157	10	5.6	Imperial Bank	56	180	180	178	180
22½	15½	50+37½c	4	Imperial Oil	24460	21½	22½	21½	21½
14½	12	52½c	3.9	Imperial Tob.	3976	13½	13½	13	13½
7½	6½	6%	...	Do. pref.	1700	7½	7½	7	7½
20½	17	1	...	Inter City Bak.	....	20½	..	..	..
42	25	3	7.5	Inter'c Coal	51	40	40	40	40
100	100	8	8	Do. pref.	....	100	..	..	..
4½	1½	.	...	Int. Hyd. E. A.	8800	3½	4	3½	3½
6	2	.	...	Int. Metal Ind.	1030	3	4	3	3½
45	25	.	...	Do. pref.	211	27½	35	28	30
103	99	7	...	Inter. Mill. p. n.	55	102	103	102½	103
34½	22½	1	2.8	Inter. Nickel	40441	33½	34½	33	34½
4½	2	.	...	Inter. Paints	....	2	..	..	..
20	18½	.	...	Do. pref.	....	18½	..	..	..
b3½	1½	.	...	Int. Pa. & P. A.	1400	2½	3	2½	2½
b1½	½	.	...	Do. (B)	300	1½	1½	1½	1½
b1½	½	.	...	Do. (C)	1000	1	1½	¾	¾
b18	4½	.	...	Do. pref.	6200	15½	15½	14½	14½
39½	28½	1.50+50	5.2	Inter. Pete.	23421	38½	39½	38	38½
6	1	.	...	Inter. Power	212	1½	3	2	3
64	40	1	...	Do. pref.	86	45	49	46	49
13½	12½	.	...	Inter. St. Rly. A	45	13½	13½	13½	13½
2	2	.	...	Do. (B)	....	2	..	..	..
4½	1½	.	...	Int. Util. (A)	....	2½	..	..	..
.85	.25	.	...	Do. (B)	5025	.50	.70	.55	.60
				J					
30	22	1.50	5	Jam. Pub. Ser.	....	30	..	..	..
125	115	7	5.6	Do. pref.	....	125	..	..	..
				K					
8½	6½	.	...	Kelvinator	....	6½	..	..	..
107	102	7	6.6	Do. pref.	....	106½	..	..	..
				L					
13½	7	.	...	Lake of Woods	1515	11½	13½	12	12½
101	80	.	...	Do. pref.	105	99	100	100	100
75	54	5	9.2	Landed Bank	....	54	..	..	..
4	3½	.	...	Langley's	....	3½	..	..	..
80	60	7	11.7	Do. pref.	....	60	..	..	..
65	59	3	4.6	Laura Secord	195	62	65	62	64
5	2½	.	...	Lindsay, C. W.	55	5	3½	3½	3½
40½	39	.	...	Do. pref.	....	40	..	..	..
19½	16½	1	5.4	Loblaw (A)	1708	18½	18½	17½	18½
18½	16	1	5.8	Do. (B)	670	17	17½	17	17½
7½	6½	.	...	Louisiana Land	....	6½	..	..	..
				M					
3½	3½	.	...	MacKin. Steel	....	3½	..	..	..
†95	90	.	...	Do. pref.	....	..	..	..	..
2½	2	.	...	Manitoba Pr.	....	2	..	..	..
1.00	.50	.	...	M. L. Gardens	....	.75	..	..	..
4½	3½	35c	...	Do. pref.	....	4	..	..	..
1.50	.40	.	...	Maple Leaf	340	1.00	1.25	1.00	1.25
5	1	.	...	Do. pref.	13	3	2½	2½	2½
12½	12	60c	4.7	Maritime Tel.	....	12½	..	..	..
15	14½	70c	4.7	Do. pref.	....	14½	..	..	..
20	14	.	...	Marcus Loew's	....	16½	..	..	..
115	108½	7	6.3	Do. pref.	....	111½	..	..	..
6½	3½	.	...	Massey-Harris	32951	5½	6½	5½	5½
33½	18½	.	...	Do. pref.	3260	28½	33½	29	33
15½	11½	80c	6	McColl Fron.	5317	13	13½	12½	13½
100½	94	6	6.1	Do. pref.	195	98½	98½	97½	98
11½	7	.	...	Melchers (A)	1115	9½	10½	9½	10½
4	2½	.	...	Do. (B)	325	3½	4	3½	4
10	8½	.	...	Mercury Mills p	....	10	..	..	..
27	20	1	...	Mitchell, J. S.	....	23	..	..	..
101	101	7	6.9	Do. pref.	....	101	..	..	..
6½	3½	.	...	Mitchell, Robt.	350	6	6	5½	6
5	5	.	...	Monarch Knit.	....	5	..	..	..
90	71½	7	7.9	Do. pref.	....	89	..	..	..
25	20	.	...	Montreal Cot.	....	23½	..	..	..
97	73	7	8.2	Do. pref.	5	80	85	85	85
‡¼	¼	.	...	Montreal Exhib.	....	..	..	..	..
1.30	1.00	.	...	Mont. Is. Pr.	....	1.30	..	..	..
35½	26½	1.50	4.3	Mont. L. & Pr.	12821	35	35½	34½	35
32	30	2.50	8.3	Montreal Loan	....	30	..	..	..
9	6½	.	...	Mtl. Ref. & S.P.	....	9	..	..	..
2	1½	.	...	Do. Vot. Tr.	....	2	..	..	..
58	54½	3.20	5.5	Montreal Tele.	10	56	58	58	58
99	80	9	9.3	Montreal Trams	338	95	97	96	97
28½	17½	50c	1.7	Moore Corp.	880	27½	28½	27½	28
149	118½	7	4.8	Do. pref. (A)	40	146	147	146	147
175	135	7	4	Do. pref. (B)	7	170	175	175	175
1.10	.25	.	...	Muirheads	....	.50	..	..	..
6	3	.	...	Do. pref.	200	3	3	3	3
				N					
39½	31	1.60	4.1	Nat. Breweries	3320	38½	39½	38½	38½
42	38	1.75	4.2	Do. pref.	2	42	42	42	42
6½	4½	.	...	Nat. Groceries	4715	6	6½	5½	6½
130	121	7	5.4	Do. pref.	52	130	130	130	130
22	14½	.	...	N. Sew. Pipe A	....	16½	..	..	..
18½	12½	.	...	Nat. Steel Car.	715	14	14½	13½	14
204	175	8	4.3	National Tr.	....	195	..	..	..
22	15	1	4.5	Niag. W. Weav.	....	22	..	..	..
52	45½	3	5.9	Do. pref.	....	51	..	..	..
1.90	.60	.	...	North Star Oil	....	.60	..	..	..
4.00	1.50	.	...	Do. pref.	....	2.90	..	..	..
				O					
190	140	8	4.6	Ogilvie Flour	216	170	174	168	174
152	130	7	4.8	Do. pref.	35	145	146	145	145
8½	5½	.	...	Ont. Eq. 10% pd	150	6½	6½	6½	6½
115	107½	6	5.4	Ontario Loan	....	110½	..	..	..
18	8	.	...	Ont. Silknit	225	16	16	15½	15½
99½	75	1.75	...	Do. pref.	117	99	99½	99	99
6½	5	.	...	Ont. Steel	....	5	..	..	..
.35	.10	.	...	Orange Crush	3	.30	.10	.10	.10
17	6	.	...	Do. 1st pref.	....	15	..	..	..
.55	.20	.	...	Do. 2nd pref.	....	.45	..	..	..
‡5	5	.	...	Ottawa Car	....	..	..	..	..
85	74	6	7	Ott. L. H. & Pr.	5	80	85	85	85
107	100	6.50	6.2	Do. pref.	6	104	104½	102½	102½
22	14	2	...	Ott. Traction	25	20½	20	20	20
				P					
88	75	3	3.7	Page Hersey	600	81	82	81	81½
3½	3½	.	...	Pantepec Oil	1550	3½	3½	3½	3½
17	17	.	...	Paton Mfg.	....	17	..	..	..
98	94	7	7.2	Do. pref.	....	98	..	..	..
63½	41	3	6.6	Penmans	....	45	..	..	..
116	106½	6	5.2	Do. pref.	7	115	116	116	116
25	20½	1	4.1	Photo Eng.	356	23½	25	24½	24½
91	70	7	8.9	Porto Rico Pr. p	....	78	..	..	..
11½	6½	.	...	Power Corp.	11005	9½	11½	10	11½
98	80	6	6.1	Do. pref.	155	97½	98	97	98
2.50	.80	.	...	Prairie C. Oil	....	1.00	..	..	..
17	6	12½c	...	Pressed Metals	605	16½	17	16½	17
3.87	1.50	.	...	Price Bros.	40	1.80	2.00	1.75	1.75
33½	14	.	...	Do. pref.	360	16	15½	14	15½
				Q					
17½	13	1	6	Quebec Power	3977	15½	16½	15½	16½
				R					
58	40	3	5	Real Estate L'n.	....	40	..	..	..
7	4½	.	...	Regent Knit.	275	5½	5½	5½	5½
5	2	.	...	Reliance Grain.	....	5	..	..	..
30	27	1	3.4	River. S. Mills	225	29	29½	29½	29½
9	5½	.	...	Rogers Majest.	7260	6½	7	6½	7
93	83	6	6.4	Rolland P. pf.	195	91½	93	91	93
173½	133½	8	5	Royal Bank	359	158	160	158½	160
30	20	.	...	Russell Motor	....	25	..	..	..
96	70	7	7.6	Do. pref.	6	94	94	92	92
				S					
5	2	.	...	Sarnia Br. (A)	10	4	5	5	5
1	1	.	...	Do. (B)	....	1	..	..	..
21½	14½	50c	2.5	Shawinigan	17494	19½	21½	19½	20½
17	9½	.	...	Sher. Wms.	1495	11½	13½	11½	13
110	100	1.75▲	...	Do. pref.	50	102	103	103	103
14	8	.	...	Simon & Son	215	10½	9	8	9
109½	90	.	...	Do. pref.	....	92	..	..	..
90	62	4	5.2	Simpson, Ltd.	220	74	77	75	76½
12	9	.	...	Do. (A)	....	12	..	..	..
11	5	.	...	Do. (B)	1	10	10	10	10
109	103	6	5.6	Simpson, R., pf.	....	106½	..	..	..
14½	9½	80c	5.8	So. Can. Pr.	1100	13½	14	13½	13½
100	82	6	6.1	Do. pref.	152	97	99½	98	98½
1.90	.80	.	...	St. Law. Corp.	180	1.15	1.15	1.15	1.15
8½	3	.	...	Do. (A)	285	6½	6½	5½	5½
39½	30	2	6.2	St. Law. Flour	....	32½	..	..	..
125	113	7	5.8	Do. pref.	20	115	119	117	119
16½	8½	.	...	St. Law. Pap. p.	275	12½	12½	12	12
7	4	.	...	Stand. Chem.	....	5	..	..	..
1.75	.70	.	...	St. Pav. & Mat.	150	.90	1.10	1.00	1.00
15	9	.	...	Do. pref.	....	13	..	..	..
25	20	.	...	Stand. Steel, pf.	....	25	..	..	..
54	42	1.75	3.2	Steel of Can.	1388	54	54	53½	53½
49	41	1.75	3.5	Do. pref.	527	48½	49	48½	49
4	2	.	...	Sterling Coal	....	3½	..	..	..
4½	4½	.	...	Stop & Shop	....	4½	..	..	..
3	1½	.	...	Supersilk, B.	....	1½	..	..	..
70	58½	3.50	5.3	Do. pref.	....	65	..	..	..
31½	21½	1	3.3	Sup. Pete. ord.	330	29½	31½	29½	30
29	23	1	3.4	Do. com.	....	29	..	..	..
115	110	7	6.3	Do. pref.	....	111	..	..	..
				T					
34	23	.	...	Tamblyn	71	33	34	32	32
114	110	7	6.3	Do. pref.	26	112	112	110	110
6	2½	.	...	Thayers	....	3	..	..	..
41	33	3.50	10.6	Do. pref.	....	33	..	..	..
2½	1	.	...	Thrift Stores	....	2½	..	..	..
13	5	.	...	Do. pref.	....	8½	..	..	..
12½	7	.	...	Tip Top Tailors	60	8½	8½	8½	8½
98½	90	7	7.2	Do. pref.	50	97	97	96	97
‡22	10	.	...	Tooke Bros.	....	..	..	..	..
15	10	.	...	Do. pref.	25	15	10	10	10
42	32½	1	...	Tor. Elevators	661	38½	40	38	38
129½	108	7	5.8	Do. pref.	225	117	120	117	119
125	80	4	4.9	Tor. Gen. Tor.	2	80	80½	80½	80½
121	110	6	5.2	Toronto Mtge.	....	120	..	..	..
146	133½	7	4.7	Tuckett Tob. p.	....	146	..	..	..
5	2	.	...	Twin City	5	5½	4½	4½	4½
b42	18	.	...	Do. pref.	....	..	..	..	..
				U					
9½	3½	.	...	Union Gas	5659	8½	9½	8½	8½
11½	9	.	...	Un. Amuse. A.	....	10½	..	..	..
‡7½	7½	.	...	Do. (B)	....	..	..	..	..
1.40	.50	.	...	United Distill.	....	.75	..	..	..
13	3	.	...	United Fuel	....	..	..	..	..
29	15½	.	...	Do. pref.	805	21	24	21	23
30	23	2	8	United Secs.	12	23	25	25	25
5	2	.	...	United Steel	1735	2½	3½	2½	3
				V					
2.00	1.00	.	...	Viau Biscuit	20	1.75	1.75	1.75	1.75
20½	12	.	...	Do. pref.	5	16	16	16	16
				W					
27	16	.	...	Wabasso Cot.	50	25	25	25	25
33	23	.	...	Walker-Good.	8059	30	30½	28½	30½

Dominion and Provincial Bonds

(Furnished by Toronto Bond Traders' Assoc.)
November 13, 1935

Dominion of Canada Bonds			Bid Nov. 13	Asked Nov. 13	Approx. Yield	Bid Nov. 6
Dominion	3	15 Oct. 1936	100.00	100.60	1.34	98.85
Dominion	5	15 Nov. 1936	102.75	103.75	1.24	102.75
†‡Dominion	5	1 Mar. 1937	105.75	106.75	...	105.75
‡Dominion	5½	1 Dec. 1937	107.00	108.00	1.50	107.00
Dominion	2½	15 Oct. 1939	101.00	102.00	1.97	100.75
Dominion	4	15 Oct. 1939	106.00	107.00	2.13	105.25
Dominion	4½	1 Sept. 1940	108.65	109.65	2.37	108.25
Dominion	5	15 Nov. 1941	109.65	110.65	3.06	109.00
Dominion	3	15 Oct. 1942	101.25	102.25	2.64	101.25
Dominion	2½	1 June 1943	99.25	100.25	2.46	99.25
Dominion	5	15 Oct. 1943	110.50	111.50	3.33	110.00
Dominion	4½	15 Oct. 1944	108.25	109.25	3.30	108.25
Dominion	4	15 Oct. '43-45	105.00	106.00	3.14▲	105.00
Dominion	4½	1 Feb. 1946	108.35	109.35	3.41▲	108.25
Dominion	3½	15 Oct. '44-49	101.50	102.50	3.17▲	101.50
Dominion	4	15 Oct. '47-52	105.00	106.00	3.39▲	105.00
Dominion	3	1 June '50-55	97.75	98.75	3.08	98.00
Dominion	4½	1 Nov. '46-56	107.00	108.00	3.61▲	106.75
Dominion	4½	1 Nov. '47-57	107.00	108.00	3.67▲	106.75
Dominion	4½	1 Nov. '48-58	107.35	108.35	3.68▲	107.35
Dominion	4½	1 Nov. '49-59	107.50	108.50	3.71▲	107.50
Dominion Guaranteed Bonds						
*G. T. P. Ry.	3	1 Jan. 1962	98.50	99.50	3.03	98.50
Can. N. Ry.	3	1 May 1944	99.75	100.75	2.90	99.00
Can. N. Ry.	3	15 Dec. '45-50	98.00	99.00	3.09	98.25
*Can. N. Ry.	4½	1 Sept. 1951	109.75	110.75	3.61	109.75
*Can. N. Ry.	4½	1 Feb. 1956	110.00	111.00	3.73	109.75
†Can. N. Ry.	4½	1 July 1957	108.75	109.75	3.84	108.50
*Can. N. Ry.	4¾	15 June 1955	112.50	113.50	3.78	111.75
Can. N. Ry.	5	1 Feb. 1954	113.25	114.25	3.91	112.25
*Can. N. Ry.	5	1 July 1969	113.25	114.25	3.56▲	113.25
*Can. N. Ry.	5	1 Oct. 1969	114.75	115.75	3.81▲	114.75
*M. Harb. C.	5	1 Nov. 1969	114.75	115.75	3.81▲	114.75
Provincial Government Bonds						
Eastern—						
†N. Bruns.	4½	15 Apr. 1961	108.00	109.25	3.92	107.50
†N. Bruns.	5	15 Jan. 1960	112.00	113.50	4.12	110.50
N. Bruns.	5½	15 May 1950	112.00	113.50	4.24	111.00
N. Scotia	4½	15 May 1943	106.75	107.75	3.33	106.50
†N. Scotia	4½	15 Sept. '47-52	108.00	109.00	3.57▲	107.75
N. Scotia	4½	15 May 1961	109.25	110.25	3.86	109.00
†N. Scotia	5	1 Mar. 1960	113.00	114.50	4.06	112.00
*Ontario	4	1 June 1962	104.00	105.50	3.67	112.50
*Ontario	4½	1 Sept. 1944	108.00	109.50	3.26	107.00
Ontario	4½	1 June 1950	107.25	108.25	3.76	106.75
*Ontario	4½	15 Jan. 1962	109.00	110.50	3.86	107.50
Ontario	5	15 Oct. 1948	110.50	111.50	3.86	109.75
*Ontario	5	2 Dec. 1960	113.50	115.00	4.02	112.00
Ontario	5½	1 July 1946	113.00	114.00	3.92	112.00
O. H. C.	3½-4-5	1 Oct. '33-52	100.50	101.50	4.29●	100.25
*Ont. Hyd. C.	4	1 Aug. 1957	102.50	103.50	3.77	102.50
Ont. Hyd. C.	4¾	1 Jan. 1970	107.00	108.50	4.28	106.50
Quebec	4	15 Mar. 1952	106.50	107.50	3.40	106.00
Quebec	4¼	1 Aug. 1958	109.50	110.50	3.57	109.00
Quebec	4½	2 Jan. 1963	111.00	112.50	3.76	110.50
Western—						
†Alberta	4	1 Dec. 1957	87.00	88.50	4.85	86.50
†Alberta	4½	1 Oct. 1956	90.00	91.50	5.17	89.50
†Alberta	5	1 Jan. 1948	96.50	97.50	5.28	95.50
Alberta	5	1 Sept. 1955	94.00	95.00	5.41	93.50
*Alberta	5	1 Oct. 1959	96.00	97.50	5.18	96.00
†Alberta	5½	1 Jan. 1947	99.50	100.50	5.44	98.50
Alberta	6	1 Mar. 1947	99.00	100.00	6.00	99.00
†Brit. Col.	4	1 Dec. 1957	92.00	93.00	4.50	92.00
*Brit. Col.	4½	15 Jan. 1951	97.50	98.50	4.64	97.00
†Brit. Col.	4½	1 Oct. 1953	96.50	97.50	4.71	95.50
†Brit. Col.	5	15 Jan. 1948	100.50	101.50	4.84	99.50
Brit. Col.	5	1 Sept. 1953	99.75	100.75	4.94	99.50
Brit. Col.	5½	1 Feb. 1945	100.75	101.50	5.29	100.50
Brit. Col.	6	15 Feb. 1947	102.25	103.25	5.60	101.50
†Manitoba	4	1 Dec. 1957	99.00	100.00	4.00	98.50
†Manitoba	4½	15 Dec. 1956	102.00	103.00	4.28	101.50
†Manitoba	5	15 June 1954	106.00	108.00	4.37	106.00
*Manitoba	5	2 Dec. 1959	106.50	108.00	4.46	106.50
Manitoba	5½	1 Oct. 1955	105.50	106.50	4.98	105.25
Manitoba	6	1 Apr. 1947	106.00	107.00	5.19	106.00
Sask.	4	15 Aug. 1953	87.00	88.50	4.97	86.75
*Sask.	4½	2 July 1945	96.50	98.00	4.76	97.00
†Sask.	4½	1 Oct. 1951	95.00	96.00	4.86	94.00
Sask.	5	1 Aug. 1958	99.50	100.50	4.96	98.50
†Sask.	5½	15 Nov. 1946	101.75	102.75	5.16	101.50
Sask.	6	15 Mar. 1952	105.00	106.00	5.44	105.00
Municipal Bonds						
†Calgary	5½	2 June 1944	75.00	85.00	7.94	75.00
†Edmonton	5½	1 Nov. 1945	84.00	88.00	7.20	84.00
†Halifax	5	1 July 1961	112.00	113.00	4.17	110.50
Hamilton	5	1 May 1950	100.00	104.00	4.61	100.00
Montreal	5	1 Mar. 1945	105.50	106.50	4.15	105.00
Ottawa	4½	1 July 1945	105.00	108.00	3.52	105.00
†Quebec	5	1 June 1959	107.50	108.50	4.41	106.50
Regina	5	1 July 1944	75.00	80.00	8.28	75.00
St. John	5	15 Dec. 1950	107.50	108.50	4.23	107.00
†Toronto	4½	1 Jan. 1955	107.00	110.00	3.77	106.00
Vancouver	5	1 June 1969	90.00	94.00	5.39	89.00
Victoria	5	21 July 1945	93.00	96.00	5.53	92.00
Winnipeg	5	1 Mar. 1944	102.00	104.00	4.42	102.00

Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ●Calculated to maturity, although callable prior to that date. ‡Exempt from Dominion income tax.

The Financial Post's Quotations

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Mining Stock Quotations

WEEK ENDING NOVEMBER 11

Par Val.	Range 1935 High	Low	Company	Sales	Close Nov. 4 (or last)	High for week	Low for week	Close Nov. 11
1	.77½	.38	Afton	12,900	.60	.62	.58	.60
No	.11	.04	Aldermac	7,250	.04½	.05	.04½	.04½
1	.02½	.00½	Alexandria	10,500	.00½	.01	.00½	.01
No	.57	.40	Algold	......	.40	.....	.....	.....
No	.08½	.02½	Algoma	2,100	.03½	.04	.02½	.04
No	4.50	3.55	Anglo-Huronian	649	4.01	4.25	4.10	4.25
No	.04	.01½	Arno	......	.02	.....	.....	.....
1	1.19	1.00	Arntfield	7,900	1.07	1.08	1.01	1.08
1	.32	.06½	Ashley	2,700	.11½	.13	.12½	.13
1	.08	.02	Astoria Rouyn	......	.02½	.....	.....	.....
1	.14	.03	Bagamac	42,600	.04½	.05½	.04	.05½
1	.08½	.02½	Barry Hollinger	12,800	.04½	.04½	.04½	.04½
No	.94	.13	Base Metals	12,899	.18	.19	.18	.18½
1	1.06	.14	B.E.A.R.	38,900	.71	.73	.64	.70
No	2.19	1.25	Beattie Gold	6,651	1.34	1.65	1.35	1.60
1	.75	.30	Big Missouri	13,941	.65	.69	.65	.66
1	.38	.18	Bobjo	27,384	.20	.21	.19	.19½
No	12.50	4.25	Bralorne	6,940	5.35	5.60	5.25	5.50
1	.61	.20	Brazil Gold	17,200	.39	.43	.38	.40
1	.03	.01½	Brett Trethewey	3,500	.01½	.01½	.01½	.01½
50c.	.24	.07	Bridge River Ex.	......	.09	.....	.....	.....
1	3.50	2.35	Buffalo Ankerite	9,230	2.65	2.95	2.65	2.85
No	.03½	.00½	Buffalo Can.	3,000	.02	.02	.02	.02
5	38.15	30.00	Bulolo Gold	1,300	32.00	32.00	30.00	30.00
No	.08½	.03	Bunker Hill	8,030	.06½	.07½	.06	.07½
1	.03½	.01	Can. Kirkland	14,000	.01	.01½	.01	.01½
No	.77	.54	Can. Marlartic	86,072	.64	.77	.62	.74
1	1.50	.95	Cariboo Gold	2,125	1.10	1.20	1.05	1.18
1	.05½	.02	Cartier Malartic	5,500	.02	.02	.02	.02
1	1.34	.55	Castle Trethewey	61,772	1.13	1.18	1.06	1.09
1	.07½	.02½	Cen. Manitoba	19,900	.03½	.05	.03½	.04½
1	2.21	1.12	Cen. Patricia	107,185	2.12	2.21	2.12	2.15
No	.27	.08	Chibougamau Pros.	21,900	.15½	.16	.15½	.16
1	.06½	.03	Church M. & Mill	3,500	.04½	.04	.03½	.03½
No	.08	.02	Clericy	59,200	.03½	.04	.03	.03½
5	3.25	1.50	Coast Copper	25	2.45	2.50	2.50	2.50
1	.08	.01½	Cobalt Contact	10,500	.02½	.02½	.02	.02
5	3.60	2.00	Coniagas	1,501	2.85	3.25	2.90	3.25
No	2.60	1.35	Coniaurum	8,230	1.90	2.20	1.91	1.95
25	193.50	125.50	Cons. Smelters	911	190.00	192.50	189.50	191.00
No	44.00	34.50	Dome Mines	2,025	38.12	39.50	38.00	39.00
1	.10	.03½	Dom. Explorers	5,775	.05	.05	.03½	.04½
1	.17½	.06	Duparquet	17,300	.08½	.09	.08½	.08½
1	2.93	1.02	Eldorado	13,375	1.61	1.65	1.50	1.52
No	5.40	3.25	Falconbridge	29211	4.95	5.40	4.93	5.30
1	.04½	.02	Federal	5,000	.02½	.02½	.02½	.02½
No	.16½	.05	Francoeur Gold	11,800	.07	.11	.08	.11
1	.40	.03	Franklin Gold	9,500	.05½	.05½	.04½	.04½
1	.45	.09	Gabrielle	1,300	.20	.23	.22	.22
No.	2.24	1.24	God's Lake	95,611	1.48	1.50	1.36	1.42
1	.20	.10	Goldale	21,100	.15½	.16	.15½	.15½
50c.	.46	.21	Gold Belt	......	.21	.....	.....	.....
1	.15	.04	Goodfish	5,700	.13	.13	.12	.13
1	.07	.02	Graham Bosquet	......	.03	.....	.....	.....
1	.40	.17	Granada Gold	18,702	.02½	.25	.20	.23
No	.12	.05½	Grandora	4,500	.06½	.06½	.06½	.06½
1	.45	.14	Greene Stabell	28,075	.17	.23	.17½	.20
1	.05	.02½	Grozelle	......	.02½	.....	.....	.....
1	.10	.04	Grull Wihksne	......	.04	.....	.....	.....
1	.97	.48	Gunnar Gold	9,400	.65	.65	.60	.64
1	.08½	.02	Halcrow Swayze	3,800	.02½	.02½	.02½	.02½
1	.49	.35	Hard Rock	11,300	.45	.42	.38	.40
1	.10	.04	Harker	5,000	.05½	.05½	.05	.05½
5	20.25	11.65	Hollinger	17,867	13.70	14.95	13.95	14.50
1	1.10	.59½	Howey Gold	57,700	.62	.63	.62	.62
No	20.00	11.50	Hudson Bay	2,683	18.62	18.87	18.50	18.75
1	15.35	11.95	Inter. Mining	......	12.50	.....	.....	.....
1	6.50	5.00	Do., Pur. Warr.	......	5.00	.....	.....	.....
No	34.87	22.25	Int. Nickel	40,441	33.25	34.87	33.00	34.62
100	130.75	125.00	Do., pref.	......	125.00	.....	.....	.....
1	.20	.09½	J. M. Cons. Gold	28,380	.16	.16½	.15	.15
1	.75	.40	Kerr Lake	......	.50	.....	.....	.....
1	.31	.20	Kirk. Hud. Bay	......	.20	.....	.....	.....
1	.65	.33½	Kirkland Lake	32,125	.36	.40	.37	.40
1	.33½	.12½	Kirk. Townsite	3,000	.14	.15	.14	.14
No	.07	.02	Lake Maron	3,500	.02½	.02½	.02½	.02½
1	58.00	46.25	Lake Shore	5,859	47.00	51.75	47.25	49.50
No	.08	.01½	Lamaque Contact	20,000	.02	.03	.02½	.02½
1	.18	.12	Lebel Oro new	72,771	.16	.18	.15	.15
1	.08	.02½	Lee Gold	45,700	.03½	.04	.03½	.03½
No	7.25	4.15	Little Long Lac	15,580	5.40	5.80	5.30	5.50
1	3.05	1.31	Macassa	35,458	2.75	2.87	2.73	2.80
1	.03	.00½	Malrobic	3,000	.00½	.00½	.00½	.00½
No	.12	.05½	Mandy	......	.09	.....	.....	.....
No	.12½	.03	Man. & Eastern	15,600	.06	.06½	.06	.06½
1	.14	.02½	Maple Leaf	27,500	.07½	.07½	.06½	.06½
5	46.00	34.00	McIntyre	4,359	35.25	36.50	34.62	35.75
1	1.45	.96	McKenzie R.L.	41,400	1.09	1.12	1.06	1.10
1	.70	.35	McKinley	31	.50	.45	.45	.45
1	.46½	.07½	McMillan	14,700	.09½	.11	.09½	.10
No	2.15	.45	McWatters	135,300	1.80	1.90	1.65	1.65
1	.40	.10	McVittie	11,200	.14½	.15½	.14	.15
No	1.50	.85	Mining Corp.	1,600	1.05	1.06	1.00	1.01
No	.21	.07½	Minto Gold	......	.08	.....	.....	.....
1	.16	.05	Moneta	5,400	.06	.07	.05½	.06
1	.79	.35	Morris Kirk	14,400	.56	.60	.55	.59
1	.01½	.00½	Murphy	......	.00½	.....	.....	.....
No	.04	.01	Newbec	2,000	.01½	.01½	.01½	.01½
1	.04½	.00½	Night-Hawk Penn.	......	.01	.....	.....	.....
5	2.37	2.00	Nipissing	4,073	2.24	2.37	2.24	2.30
No	43.00	31.00	Noranda	17,408	41.75	42.87	41.87	42.50
No	.31	.16	Nor. Canada	4,650	.24	.24	.24	.24
1	.75	.30	O'Brien	600	.50	.40	.40	.40
1	.10	.03	Osisko	2,000	.05	.05	.05	.05
1	.32	.18	Parkhill	8,400	.19½	.20	.19	.20
1	.04½	.01	Pawnee Kirk	......	.01½	.....	.....	.....
1	.30½	.16	Paymaster	56,625	.24½	.27	.25	.26
1	.84	.40	Pend Oreille	17,910	.70	.84	.72	.78
1	.92	.55	Perron Gold	47,400	.88	.92	.85	.86
1	.09½	.01½	Peterson Cobalt	28,582	.03½	.03½	.03	.03
1	3.35	2.10	Pickle Crow	42,261	3.29	3.35	2.95	3.20
1	12.25	9.00	Pioneer Gold B.C.	5,645	9.35	9.35	9.25	9.35
1	.06	.03	Porcupine Crown	23,000	.05	.05	.04½	.04½
1	2.05	1.36	Premier Gold	21,323	1.73	1.83	1.73	1.80
1	.03	.01	Preston E. Dome	3,000	.02	.02	.01½	.02
No.	3.35	1.25	Prospectors Air's.	2,950	3.35	3.25	2.95	2.95
1	.95	.09½	Quebec Gold	234,050	.86	.95	.80	.93
No	.15	.02½	Quemont	......	.05	.....	.....	.....
1	.98	.55	Read Authier	21,655	.80	.94	.84	.90
No	.43	.25	Red Lake	29,450	.40½	.42	.40	.42
1	1.67	.73	Reno Gold	21,200	.80	.85	.81	.81
1	.10½	.02	Robb Montbray	38,800	.05½	.05½	.04½	.04½
1	.10½	.02½	Roche Long Lac	5,600	.04	.04½	.04	.04
1	5.20	2.00	San Antonio	10,908	2.89	3.05	2.85	2.98
50c.	1.25	.54	Sheep Creek	3,500	.65	.73	.69	.69
1	1.00	.45	Sherritt Gordon	24,183	.83	.85½	.80	.81
1	3.29	2.40	Siscoe	39,396	2.64	2.85	2.64	2.76
1	5.10	3.30	South Amer. Gold	......	4.40	.....	.....	.....
1	.15	.02	South Tiblemont	37,400	.03½	.03½	.03	.03
No	.32	.13½	Stadacona	26,500	.19½	.21	.17	.17
1	.39	.14½	St. Anthony	14,930	.17½	.18	.17½	.18
No	2.27	1.25	Sudbury Basin	17,835	2.05	2.27	2.05	2.15
1	.11	.03	Sudbury Contact	......	.04	.....	.....	.....
1	.08	.03	Sudbury Mines	286,400	.06	.08	.05½	.07½
1	.89	.35	Sullivan Cons.	31,644	.70	.75	.70	.70
1	2.70	2.00	Sylvanite	19,485	2.30	2.45	2.30	2.38
1	.67	.25	Tashota	3,200	.33	.33	.32	.33
1	4.70	3.67	Teck Hughes	50,915	4.15	4.55	4.15	4.38
1	.02½	.00½	Timiskaming	......	.01½	.....	.....	.....
1	1.45	1.00	Toburn Gold	3,220	1.05	1.07	1.00	1.05
1	.30½	.10	Towagmac	3,600	.13	.19	.12	.16
1	.30	.10	Treadwell	......	.10	.....	.....	.....
No	1.30	.80	Ventures	153,890	1.10	1.30	1.12	1.21
No	.86	.45	Waite Amulet	1,113	.70	.74	.60	.60
50c	.24½	.07	Wayside	23,600	.15	.16	.15½	.15½
No	.10½	.01½	White Eagle	21,000	.03½	.03	.02½	.03
1	.07	.03	Wiltsey Coughlan	1,000	.03	.03½	.03½	.03½
1	.07½	.03½	Wood Kirkland	5,500	.04½	.04½	.04	.04½
No	9.90	6.90	Wright-Hargreaves	11,310	7.15	7.50	7.10	7.25
No	.85	.26	Ymir Yankee	6,300	.36	.37	.34	.34
			OIL STOCKS					
No	.26	.14½	Acme Gas & Oil	27,800	.16½	.16½	.14½	.15
1	1.09	.40	Ajax	3,450	.45	.50	.43	.43
No	.85	.49	Calgary & Ed.	1,300	.55	.60	.60	.60
1	.08	.04	Calmont	......	.06	.....	.....	.....
No	.05½	.03	Common Pete	......	.04	.....	.....	.....
No	.39	.15	Dalhousie	300	.28	.28	.25	.25
No	.12	.04	East Crest	600	.05	.05½	.04	.04
No	.35	.08	Foothills	......	.20	.....	.....	.....
No	.15	.10½	High Sarcee	......	.14½	.....	.....	.....
No	.80	.42	Home	2,552	.55	.60	.55	.60
1	.14	.04½	Homestead O. & G.	......	.04½	.....	.....	.....
No	.13½	.06	Lowery	......	.07½	.....	.....	.....
No	.27	.14	Merland	2,000	.15	.14	.14	.14
5	.17	.03	Nordon	6,000	.12	.12	.11½	.12
No	.07	.03½	Oil Selections	5,400	.04½	.04½	.04½	.04½
No	.06½	.02½	Olga Gas & Oil	29,500	.04	.04½	.03½	.04
No	.65	.40	Petrol Oil & Gas	......	.60	.....	.....	.....
No	27.00	18.00	Royalite	2,996	23.00	24.50	23.00	24.50
No	.12	.04	South West Pete.	......	.04	.....	.....	.....
No	1.15	.55	Texas Can.	30,837	.97	1.15	.97	1.10

VANCOUVER STOCK EXCHANGE

Week Ending November 8.

Par Val.	Range 1935 High	Low	Company	Sales	Close Nov. 1 (or last)	High for week	Low for week	Close Nov. 8
1	.02½	.00½	Alexandria	......	.00½	.....	.....	.....
25c	.01½	.00½	Bayview	......	.00½	.....	.....	.....
20c	.10½	.03½	Beaver Silver	9,000	.04	.04½	.04	.04
25c	.02½	.01	Bluebird	......	.01	.....	.....	.....
No	12.25	4.35	Bralorne	10,100	5.60	5.60	5.30	5.60
1	.08½	.03	Bridge River Cons	2,500	.03½	.05½	.03½	.03½
50c	.24	.07	B.R.X. Gold	2,250	.09	.09½	.07	.09
1	.55	.14	B.C. Nickel	18,350	.24	.25	.23	.25
1	1.80	.90	B.C. Silver	3,000	1.65	1.80	1.60	1.80
10	43.00	43.00	Bunker H. Sullivan	......	43.00	.....	.....	.....
50c	.10	.03	Canadian Rand	2,500	.06	.06	.06	.06
1	1.50	.95	Cariboo Gold	5,450	1.08	1.16	1.05	1.16
1	.54	.17	Congress Gold	13,600	.18	.21	.17	.17
25c	.00½	.00½	Cork Province	......	.00½	.....	.....	.....
1	.09	.03	Cotton Belt	2,000	.09	.03½	.03½	.03½
No	.01½	.00½	Dalhousie Mines	......	.01	.....	.....	.....
No	.95	.15½	Dentonia	12,300	.21	.24	.21	.24
No	.06½	.01	Dictator	5,500	.02½	.02½	.02½	.02½
1	.17	.03	Dunwell	2,500	.04	.04½	.04½	.04½
No	.16½	.04	Fairview Amal	1,100	.06½	.07½	.06½	.07½
50c	.46	.25	Fawn Mining	1,000	.30	.30	.30	.30
1	.13	.05	Federal Gold	1,500	.06	.05½	.05	.05½
1	.20	.12	George Copper	200	.20	.25	.25	.25
50c	.08	.03	George Enterprise	......	.06	.....	.....	.....
1	.01	.00½	Georgia River	......	.00½	.....	.....	.....
50c	.06½	.01	Glacier Creek	5,000	.01	.01½	.01½	.01½
1	.42	.11	Golconda	5,700	.11	.13	.11	.13
50c	.45½	.20	Gold Belt	4,600	.20	.20	.20	.20
50c	.19	.02½	Gold Mountain	......	.02½	.....	.....	.....
50c	.04½	.01½	Grandview	......	.02	.....	.....	.....
No	.24	.01½	Grange Mines	500	.02	.02	.02	.02
1	.10	.04½	Grull Wihksne	2,500	.05½	.06	.05½	.05½
No	.03	.03	Haida Gold	......	.03	.....	.....	.....
25c	11.50	6.40	Hecla	......	9.85	.....	.....	.....
50c	.26	.18	Hedley Amal	7,800	.19½	.20	.19	.20
No	.12	.04	Hedley Sterling	......	.06	.....	.....	.....
1	.02	.01	Hercules Cons.	......	.01	.....	.....	.....
No	.12½	.02	Home Gold	1,500	.03	.03½	.02½	.03½
1	.01½	.00½	Independence	......	.00½	.....	.....	.....
1	.01	.01	Indian Mines	......	.01	.....	.....	.....
1	.20	.17	Inter'l Coal	1,000	.20	.19	.19	.19
50c	1.07	.68	Island Mountain	3,850	.98	1.00	.96	1.00
50c	.72	.30	Kootenay Belle	6,230	.45	.47	.43	.44
20c	.01½	.00½	Koot. Florence	1,000	.00½	.00½	.00½	.00½
25c	.01½	.00½	Lakeview	......	.00½	.....	.....	.....
10c	.04½	.01	Lucky Jim	......	.02	.....	.....	.....
No	.41	.07	Mak Siccar	4,600	.09½	.11	.10	.11
50c	.00½	.00½	Marmot Metals	......	.00½	.....	.....	.....
1	.21	.16	McGillivray Creek	......	.20	.....	.....	.....
50c	.30	.15	Meridian New	1,700	.20	.21	.16	.16
No	.24½	.05	Minto Gold	42,900	.05	.05½	.05	.05
No	.12½	.03	Morning Star	16,500	.04	.04	.03½	.03½
1	.02	.00½	Morton Woolsey	......	.00½	.....	.....	.....
25c	.06½	.02½	National Silver	6,500	.02½	.02½	.02½	.02½
50c	.17	.05	Nicola	19,800	.09	.10½	.09	.10½
50c	.16	.04½	Noble Five	20,400	.05½	.05½	.04½	.05
No	.09½	.01½	Pilot Gold	5,000	.02½	.02½	.02½	.02½
1	12.40	9.10	Pioneer Gold	3,775	9.60	9.45	9.35	9.40
50c	.15	.05	Porter Idaho	6,000	.05½	.05½	.05	.05
No	.01	.00½	Premier Border	500	.00½	.00½	.00½	.00½
1	.02½	.01½	Quatsino Copper	......	.02½	.....	.....	.....
25c	.17	.05	Quesnelle Quartz	......	.05½	.....	.....	.....
No	.18	.01	Reeves McDonald	1,800	.08	.09	.08	.08
1	.44	.25	Relief Arlington	17,800	.35	.44	.37	.43
1	1.62	.72	Reno Gold	16,620	.78	.85	.79	.82
1	.04½	.02	Reward Mining	......	.02½	.....	.....	.....
1	.01½	.00½	Rufus Argenta	......	.00½	.....	.....	.....
1	.05½	.00½	Ruth Hope	......	.00½	.....	.....	.....
1	.62	.16	Sally Mines	1,700	.16	.17	.16	.16
50c	.18	.06	Salmon Gold	1,500	.07	.07	.07	.07
50c	1.18	.55	Sheep Creek	50,000	.66	.71	.66	.71
1	.05	.02	Silverado	......	.03	.....	.....	.....
25c	.02½	.00½	Silvercrest	12,000	.00½	.00½	.00½	.00½
20c	.12	.0[illegible]	Silversmith	8,000	.01½	.01½	.01½	.01½
50c	.01½	.00½	Snowflake	10,000	.00½	.00½	.00½	.00½
1	.75	.46	Standard Silver	3,300	.46	.50	.46	.50
10	13.75	11.45	Sunshine	......	20.00	.....	.....	.....
No	.32	.14	Taylor Bridge	2,800	.17	.19	.18	.19
1	.20½	.08½	Taylor Windfall	......	.12	.....	.....	.....
5	.35	.15	Toric	......	.15	.....	.....	.....
50c	.10	.03	United Empire	......	.03	.....	.....	.....
No	.61	.13	Vidette Gold	1,200	.26	.26	.25	.25
No	.06	.00½	Viking Gold	......	.00½	.....	.....	.....
No	.07½	.02	Waterloo Gold	......	.02	.....	.....	.....
50c	.01½	.00½	Waverley Tangier	7,000	.00½	.00½	.00½	.00½
50c	.23½	.07½	Wayside	13,000	.15	.16	.15½	.16
20c	.04	.01	Wellington	......	.01½	.....	.....	.....
No	.09½	.02	White Eagle	......	.02	.....	.....	.....
1	.14	.04	Whitewater	11,000	.04½	.05½	.05	.05
No	.83	.26	Ymir Yankee Girl	5,400	.30	.40	.32	.32
			OIL STOCKS					
1	.10½	.04½	Alta. Pac. Cons.	4,380	.05½	.06½	.04½	.06½
1	.22	.03½	Amalgamated	19,100	.04	.06	.03½	.05½
1	.04	.00½	Anaconda	......	.00½	.....	.....	.....
No	.05	.00½	Baltac	......	.00½	.....	.....	.....
1	.07½	.05	Brit. Dominion	......	.05	.....	.....	.....
1	.25	.03	Crow's Nest	37,400	.03½	.05½	.03	.05½
No	.03½	.01	Devenish	6,300	.01½	.03	.02½	.02½
No	.11	.04	Freehold	400	.04½	.04½	.04½	.04½
No	.04½	.02	Hargal	......	.02	.....	.....	.....
No	.15	.08½	High Sarcee	......	.13½	.....	.....	.....
No	.01½	.00½	Madison	......	.00½	.....	.....	.....
No	.17	.07	Marjon Oil	3,000	.09	.09	.08½	.08½
No	.05	.02	McD. Segur Ex.	......	.02½	.....	.....	.....
1	.50	.30	McLeod	......	.50	.....	.....	.....
No	.14½	.09	Mercury	9,150	.10½	.11	.10½	.11
No	.14	.07	Mill City Pete	......	.07	.....	.....	.....
1	.30	.18	Model Oil	4,200	.26	.30	.29½	.29½
No	.06½	.03½	Okalta	......	.04	.....	.....	.....
No	.10½	.02	Pacalta Oil	37,900	.04½	.06	.03½	.05½
1	1.17	.24½	Ranchmen's	16,450	.26	.55	.26	.52½
No	.01	.01	Richfield	......	.01	.....	.....	.....
1	.28	.15	Spooner	......	.18	.....	.....	.....
No	.10	.03	United	2,000	.04½	.05½	.04½	.05½
No	.14	.04	Vanalta	......	.04	.....	.....	.....
1	.05	.04	Wellington Oil	......	.05	.....	.....	.....

Toronto, Montreal and Curb Markets (Cont'd)

Range 1935 High	Low	Divd. Rate $	Y'ld in %		Sales	Close Nov. 4 (last)	High	Low	Close
18½	16½	1	5.7	Do. pref.	2427	17½	17½	17½	17½
4.25	2.00	.	...	Walkerville Br.	6930	3.00	3.70	3.05	3.40
2.75	1.00	.	...	Waterloo Mfg.	160	1.75	2.00	1.75	1.75
6	2½	.	...	West. C. Flour	185	4½	5½	4	5
52	20	.	...	Do. pref.	72	38	40½	40	40½
45½	32	50c	...	West. Grocers	11	45	45½	45½	45½
105	95	7	6.6	Do. pref.	30	101	105	105	105
120	120	7	5.8	W. Koot Pr. pf.	....	120	..	..	..
17	13½	60c	4	Weston Ltd.	1956	15	15½	15	15
115	108	7	6.1	Do. pref.	10	113	114	114	114
8½	1½	.	...	Whittall Can.	65	8½	8½	8½	8½
113	75	6.50	5.7	Do. pref.	60	112	112½	112	112½
3	1	.	...	Windsor Hotel	....	1	..	..	..
8	4	.	...	Do. pref.	....	4	..	..	..
2.25	.90	.	...	Winnipeg Elec.	983	1.25	2.25	1.40	2.25
10½	4	.	...	Do. pref.	115	7	10½	7	10
30	20½	.	...	Wood, A & J. p	5	25	30	30	30
70	45	.	...	Woods Mfg. pf.	15	45	46	46	46
				Z					
5½	2½	.	...	Zimmerknit, c.	1	2½	2½	2½	2½
85	63½	.	...	Do. pref.	....	63½	..	..	..

‡ Quotations for 1934. No sales recorded in 1935 to date.
§ Quotations for 1933. b New York Quotations.
† Quotations for 1931. ▲ On account of arrears.

Active Corporation Bonds

(Furnished by Toronto Bond Traders' Ass'n.)
November 12, 1935

Public Utility Issues:	Int. Rate %	Due	Bid Nov. 12	Asked Nov. 12	Bid Nov. 5
‡Avalon Tel.	5½	'48	100½	...	100
Beauharnois	5½	'73	90	92	...
Beauharnois	5	'73	35	37	34
*Bell T'phone	5	'55	113	115½	113
*Do.	5	'57	115	117½	115
†B. C. Power	5	'60	102½	105	101
†Do.	5½	'60	104½	107	104½
†B. C. T'phone	5	'60	107	109	106
†Calgary Pwr.	5	'60	94	97	92
Do.	5	'64	93	96	91
†Can. Nor. Pr.	5	'35	101½	103½	101½
†Cedars Rapids	5	'53	113	115	113½
Dom. Gas	6½	'45	84½	87½	84½
§Duke-Price Pr.	6	'66	104	106	103½
*Gatineau Pwr.	5	'56	85	87	84
*Do., A	6	'41	68½	71	67
*Do., B	6	'41	68½	71	66
*Int'l. Hydro	6	'44	46	49	43
†Maclaren-Que.	5½	'61	69	73	66
Do.	5½	'64	69	72	66
*Manitoba Pwr.	5½	'51	67	70	64
†Mtl. Island Pr.	5½	'57	104½	106½	103½
†Montreal Pwr.	5	'51	107½	109½	107½
†Montr'l Tram.	5	'55	84½	87	83
†Do.	5	'41	103	105½	102½
Nat'l L. & P.	6	'49	91½	94½	92½
†N. S. L. & Pr.	5	'58	102½	105½	102½
†Ottawa Light	5	'57	106	108½	106
†Ottawa Val. Pr.	5½	'70	86	90	85
†Power Corp.	4½	'50	87	90	86½
†Prov. Lt. & P.	5	'46	106	...	106
*Quebec Pwr.	5	'68	105	108	105
†Shawinigan	4½	'70	100	102	99½
†Do.	5	'70	105	108	104½
†S. Canada Pr.	5	'55	106	...	106
†United Secs.	5½	'52	79	82	78½
†W. Koot. Pwr.	5	'56	106½	109	106
†Western Pwr.	5	'49	105	108	105
*Winnipeg Elec.	5	'35	98	101	98
*Do.	6	'54	68	71	64½
Industrial & Realty Issues:					
Abitibi Pwr.	5	'53	29½	31½	28½
†Alta. P. Grain	6	'46	93	96	91
Brand.-Hend.	6	'36	98	...	98
B. A. Oil	5	'45	106	108	106
Do.	4	'45	101½	103½	101
Burns & Co.	5½	'48	69	73	67
Canada Bread	6	'41	106	109	106
†Can. Cement	5½	'47	104½	106½	104
†Can. Paper	5	'45	101½	...	100½
‡Can. Ss. Lines	5	'43	100	...	100
Do.	6	'41	41½	44	41
†Can. Canners	6	'50	104	106	104
Can. C. Felt	6	'40	103½	...	103½
C. P. R.	4½	'44	95½	98	95½
Do.	4	'49	93½	95½	93½
†Can. Vickers	6	'47	80	83	80
Cons. Paper	5½	'61	15½	17½	15½
†Dom. Canners	6	'40	108	...	108
†Dominion Tar	6	'49	102½	104½	101½
†Donnacona P.	5½	'48	36	39	36½
†East. Dairies	6	'49	87½	90½	86
Eaton Realty	5	'49	100½	102½	100½
†Fam. Players	6	'48	102½	104½	102
†Do.	6½	'48	97	100	96½
†Federal Grain	6	'49	96½	99½	95½
Fraser Cos.	6	'50	62½	...	61
▲Do.	6	'50	56½	...	55½
†G. Steel Wares	6	'52	96½	98½	95
Gt. Lakes Pap.	6	'50	34	37	35½
†Gypsum, Lime	5½	'48	90½	93½	91
Ham. Cottons	5½	'48	100	102	100
*Ham. By-Prod.	5	'50	97½	99½	97½
*Hinde & Dauch	5½	'48	102½	104½	102½
†I. P. & P. Nfld.	5	'68	100½	103½	100½
Int. City Bak.	5½	'48	100	103	100
Inter-City West. Bakeries	6½	'50	26½	...	26
Lake St. John P. & Pa.	6½	'47	68½	71½	67
†Lon. Can. Inv.	4½	'48	84	...	84
†Massey-Harris	5	'47	88½	91½	88
McColl-Front.	6	'49	104½	106½	104
Metropolitan B.	7	'44	101	...	101
M. & O. Paper	6	'45	15	17½	15
‡Mont. Cottons	5	'47	101	...	101
*Prov. Paper	5½	'47	101	103	101
*Reliance Gr.	6	'48	101	...	101
‡Riordon Pulp	6	'42	104	...	104
†Rolland Paper	5½	'48	104	106	...
St. Law. Flour	6	'41	103	...	103
†Simpsons Ltd.	6	'49	103½	105½	103½
Do.	5½	'49	101½	...	101½
†Smith, How'd	5½	'53	104½	106½	104
‡Steel of Can.	6	'40	111½	...	111½
United Amuse.	6	'42	98½	...	98
United Corps.	5	'53	89	...	88
United Grain	5	'48	95½	98½	95½
Do.	5½	'49	98	102	98
‡Wabasso Cott.	6	'47	102½	...	102½
Do.	7	'42	104½	...	104½
Western Grain	6	'49	75	80	71½
Woods Mfg.	6	'43	101	...	101
Zimmerknit	6	'51	100	...	100

‡Payable in Canada or U. K. †Payable in Can., U. S. or U. K. §Payable in U. S. only. *Payable in Can. or U. S. ●Unstamped. ▲Stamped.

Mining Dividend Payers

	Rate	Close Nov. 11	Yield
Anglo-Huronian	20c	4.25	..
Buff. Ankerite	20c	2.85	7.0
Bulolo Gold	2.60	30.00	..
Coniagas‡	12½c	3.25	..
Cons. Smelters	$1.25	191.00	..
Dome Mines	$2+$2	39.00	10.2*
Falconbridge	7½c	5.30	..
Hollinger	65c+25c	14.50	6.2*
Howey Gold	5c	.62	..
Hudson Bay	$1	.20	..
Int. Coal & Coke‡	1c	.20	..
Inter. Mining	15c	12.50	..
Int. Nickel c.	$1	34.75	2.8
Kirk. Lake‡	3c	.40	..
Lake Shore	$2+$1.50	49.00	7.2*
Macassa	15c	2.80	..
McIntyre	$2	35.75	5.6
McKinley Sec.	5c	.45	..
Nipissing	12½c	2.30	..
Noranda	$1	42.50	..
Nor. Canada†	2c	.24	..
Premier	12c&1c	1.80	7.2*
Pioneer, B.C.	80c	9.35	8.8
Reno	12+2c	.81	17.3*
San Antonio	14c	2.98	..
Siscoe	20c+3c	2.76	8.4*
So. Amer. Gold	30c	4.40	..
Sylvanite	20c	2.38	8.4
Teck Hughes	40c	4.38	9.2
Toburn	8c	1.05	7.6
Wright-Har.	40+20c	7.25	8.3*

‡Interim. †Initial. *Yield includes bonus.

Unlisted Mining Stocks

November 5, 1935

	Bid	Asked
Ascot	.26	.28
Arntfield Syndicate	1.05	1.15
Athona (Gt. B. L.)	.44	.46
Athabaska Portals	..	.28
Bailor	..	.01
Bidgood Kirkland	.08	.09
Bankfield Gold	.31	.33
Bathurst	.00½	.01½
Bosquet Gold	.04	.05
Can. Pandora	.04	.05
Casey Summit	.09	.11
Canusa Mining	.04	.05
Casey Contact	.02½	.03½
Central Porcupine	..	.21
Cons. Chib. Free	.74	.77
Cons. Chib. Pool	.73	.76
Columario Cons.	.00½	.01½
Dunlop Cons.	..	.01
El Bonanza	.14	.16
Forty-four Gold	4.00	5.00
Glenora Gold	..	.06
Galatea	.06	.07
Goldside	.02½	.03½
Gold Eagle	.20	.22
Greenlaw	.04	.05
Hislop Gold Free	..	.06
Hudson Patricia	.07½	.08½
Jellicoe	.07	.08
Johnson Nipigon	.02½	.03½
Kirk. Lake Belt	.06	.08
Knee Lake	.30	.33
Lafayett L. Lac	.04	.04½
La Palme	.42	.46
Long Lac Lagoon	.03½	.04½
Lamaque Gold	2.45	2.55
Leitch Gold	.35	.37
MacL. Cockshutt	.03½	.04½
Magnet Lake	.02½	.03½
Matachewan Can.	.10	.12
McCarthy Webb	.05½	.06½
Mosher	.02	.03
Murmac	.09	.11
North Shores	.01	.02
Oklend	.20	.22
O'Leary	.08½	.10
Omega	.44	.47
Opemiska	..	1.50
Pamour Porc.	3.55	3.65
Rice Lake	.01½	.02½
Shawkey	.53½	.55
Silverado Gow.	..	.27
Sladen	.17	.19
Smelter Gold	.05½	.06½
Smith Cobalt	.08½	.10
Springer	.08	.09
Straw L. Beach	.06	.08
Sturgeon R. Gold	.69	.71
Thom.-Cadillac	.03	.04
Wells Long Lac	.06	.07
Wingold	.03	.04
Young Davidson	..	.21
Wendigo	.14	.16

Public Utility Earnings

Mexican Light & Power

September:	1935 $	1934 $	Change $
Gross earn.	644,571	579,815	+64,756
Oper. exps.	469,247	456,728	+12,519
Net earn.	175,324	123,087	+52,237
Nine Months:			
Gross earn.	5,766,891	6,097,120	—330,229
Oper. exps.	4,137,388	4,065,599	+71,789
Net earn.	1,629,503	2,031,521	—402,018

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Toronto)
November 12, 1935

Acadia Sugar, com.	2.85	3.15
Do., 6% pfd.	4.75	5.05
Acme Farmers Dairy, 7% p.	40.00	....
Andian National Corp.	48.00	49.50
Atlantic Sugar, 7% pfd.	104.50	106.00
B. C. Pulp & Paper, 7% pfd.	6.75	10.00
Burns & Co. Ltd. A	6.75	7.50
Do., B	3.50	4.00
Canada Starch, com.	14.00	....
Do., 7% pfd.	84.00	....
Canada Tea, pfd.	32.50	....
Can. Tube, 1st pfd.	31.00	....
Can. Wire & Cabe, 6½% pfd.	73.00	76.00
Can. Industries, A, com.	200.00	....
Do., B, com.	200.00	203.00
Can. Paperboard, pfd. bonus	4.25	6.00
Can. Westinghouse	51.00	53.00
Chase, A. W., 2.00 pfd. bonus	24.50	....
Claude Neon Adv. Units	5.00	....
Dom. Found. & St. c. (New)	25.00	27.00
Do., pfd. (New)	83.00	88.00
Donnacona Paper, A	3.75	6.00
Dunlop Tire, 7% pfd.	60.00	64.50
Edm. City Dairy, 6½% p.	55.00	....
Federal Grain, com.	.70	1.00
Do., 6½% pfd.	33.00	....
Goderich Elev. & Transit	5.20	5.75
Greening Wire 7% pfd.	102.00	103.00
Guelph Carpet, 6½% pfd.	98.75	100.00
Guelph Carpet, com.	14.25	15.50
Highland Dairy, com.	2.90	3.50
Do., 7% pfd.	71.00	80.00
Huether Brewing, pfd. bon.	2.25	3.00
Inter City Baking, com.	18.00	20.50
Mercury Mills, 6% pfd.	4.75	6.00
Morrow Screw, 7% pfd.	95.50	98.00
New Method Laund. p. bon.	60.00	....
Provincial Paper, 7% pfd.	96.00	97.00
Reliance Grain, 6½% pfd.	81.00	85.00
Robinson Cons. Cone	10.50	11.25
Ruddy, E. L., 7% pfd.	30.50	....
Silverwood's Dairies, pfd.	40.50	42.00
Stand. Fuel, pfd. bonus	104.00	105.50
Supert. Petroleum, B, pfd.	27.50	29.50
Toronto Carpet, pfd.	27.00	....
United Steel, A pfd.	4.25	5.00
Western Grain, 6½% p. bon.	10.75	11.50
Willards Chocolates, pfd.	8.75	....
Trust & Loan Stocks:		
Chartered Trust	75.00	80.00
London & Western Trust	33.50	36.00
Premier Trust	87.00	90.00
Sterling Trust	30.00	35.00
Traders Finance, B, 7% pfd.	64.50	....
Trusts & Guarantee	24.00	26.50
Sherbrooke Trust	110.00	....
British America	35.50	37.75
Canada Life Assce.	500.00	517.00
Canadian Fire Ins.	76.00	78.00
Canadian Ins. Shares, com.	9.00	10.00
Confederation Life 20% pd.	....	118.00
Continental Life 20% pd.	37.00	40.00
Crown Life Ins.	105.00%	....
Dominion Fire Ins.	109.00	115.00
Dominion Life 50% pd.	261.00	300.00
Dom. of Can. Gen. Ins.	76.00	....
Empire Life 25% pd.	6.00	7.00
Excelsior Life 30% pd.	69.00	71.00
Federal Fire 25% pd.	34.50	37.00
Fidelity Ins. of Can.	47.00	53.00
Great West Life Assce.	387.00	395.00
Guar. Co. of N. A. fully pd.	245.00	....
Halifax Fire Ins.	20.00	21.00
Imperial Life	305.00	....
Manufacturers Life Ins.	256.00	260.00
Monarch Life 10% pd.	17.25	18.50
National Life 25% pd.	53.00	57.00
Sovereign Life 25% pd.	13.00	15.00
Sun Life Assurance	410.00	430.00
Toronto General Ins.	4.50	5.00
Western Assurance, com.	35.00	37.00
Do., 12% pfd.	38.00	41.00
Theatre Stocks:		
Allens Beach, pfd.	58.00	....
Allens Calgary, com.	7.25	9.00
Allens Kingston, pfd.	50.00	....
Allens Parkdale, pfd.	40.00	45.00
Allens, Toronto, 7% pfd. bonus, com.	27.00	31.00
Loew's London, 7% pfd.	1.85	2.10
Loew's Toronto, pfd.	111.00	114.00
Mansfield Theatre, pfd.	24.00	25.50
Paramount Kitchener, pfd.	30.00	35.00
Paramount Oshawa, pfd.	58.00	....
Investment Trust Shares:		
Can. Gen. Invest.	7.10	7.25
Can. Investors Corp. (Div. 40c)	6.80	7.25
Can. Int. Invest. Trust Units	27.00	29.00
Cons. Div. Standard Sec. Un.	10.75	11.75
Debenture & Sec. 5% pfd.	31.00	....
Dom. Scottish Invest. Units	24.50	26.50
Foreign Power Sec. 6% pfd.	5.25	6.25
Investment Foundation Un.	41.00	42.50
Sec. Holding Corp. Units	11.75	13.00
United Corpns. Ltd. A	20.75	21.50
United Corpns. Ltd., B	6.50	7.00
Power Issues:		
Calgary Power, 6% pfd.	77.50	78.50
Can. Light & Power, com.	24.00	26.00
Can. Public Service 6½% p.	27.50	....
Can. West. Nat. Gas LH&P Pfd.	90.50	91.50
Can. West. Nat. Gas LH&P com.	21.50	23.50
Great Lakes Pwr. 7% pfd.	71.00	....
N. B. Telephone, com.	10.60	11.50
Nor. Ont. Power, 6% pfd.	97.00	....
N. S. L&P, 6% pfd.	98.50	100.00

Recent London Quotations:	
British Columbia Tele., pfd.	$105
Brewers & Distillers	5s.
Canada Company	7s. 6d.
Canadian & Foreign Securities	4s.
Canadian Collier, $1 c.	1½d.
Do., pref. $10	4½d.
Canadian N. W. Land	10s.
Canadian Western Lumber	10½d.
Hudson's Bay	16s. 10. d.
Do., pref.	97s. 6d.
Third Can. Gen. Inv.	6s. 6d.

Dividends Declared

	This payment	Date payable	Date of record
Andian Nat.	$1	Dec. 2	Nov. 15
Agnew-Surpass pf.	$1.75	Jan. 2	Dec. 16
Anglo-Huronian c.	20c	Dec. 2	Nov. 22
Biltmore Hats, pf.	$1.75	Dec. 14	Nov. 15
Bunker Hill	50c	Dec. 2	......
Borden Co. c.	40c	Dec. 2	Nov. 15
Bulolo Gold Dr.‡	$1.40	Deec. 10	Nov. 13
Bk. of Montreal	$2	Dec. 2	Oct. 31
Bk. Can. Nationale	$2	Dec. 2	Nov. 15
Buffalo Ankerite	5c	Nov. 15	Nov. 1
Bank of Tor. c.	$2.50	Dec. 2	Nov. 15
Can. Iron Found. pf.	$1.50	Nov. 15	Oct. 31
Candn. Oil Cos. c.	12½c	Nov. 15	Nov. 1
Can. Bk. of Comm.	$2	Dec. 2	Oct. 31
Can. Hydr. Elec., p.	$1.50	Dec. 2	Nov. 1
Cons. Div. Std. Sec. pfd.	25c	Dec. 15	Dec. 2
Corp. Invest. c.	5c	Nov. 15	Oct. 31
Cos. Imp. Mills c.	17½c	Nov. 15	Oct. 31
Do., pfd.	$1.75	Nov. 15	Oct. 31
Canada Bud. c.	20c	Dec. 20	Dec. 2
Corr. P. Box, pf.	$1.75	Deec. 1	Nov. 16
Can. Dom. Sugar, c.	37½c	Dec. 1	Nov. 15
Dom. Bridge	30c	Nov. 15	Oct. 31
Gurd, Chas., pfd.	$1.75	Nov. 15	Nov. 1
Howey Gold	2c	Dec. 14	Nov. 14
Hightower Oil, pf.	*1%	Nov. 1	Oct. 25
Do., con.	5c	Nov. 1	Oct. 25
Hudson B. Mining	50c	Dec. 16	Nov. 29
Hollinger Cons.	5+5c	Deec. 2	Nov. 15
Imperial Oil	25c	Dec. 2	Nov. 15
Do., Special	37½c	Dec. 2	Nov. 15
Inter. Petroleum	75c	Dec. 2	Nov. 29
Do., Special	50c	Dec. 2	Nov. 29
Inter. Nickel c.	25c	Dec. 31	Dec. 2
Langley's Ltd. ▲pf.	$1.75	Nov. 15	Nov. 4
Laura Secord c.	75c.	Dec. 2	Nov. 15
Loblaw, A & B	25c	Dec. 2	Nov. 14
McKinley Mines c.	2½c	Dec. 2	Nov. 22
McIntyre-Porc. c.	50c	Dec. 2	Nov. 1
McLennan, McFeeley c. A	10c	Dec. 30	Dec. 23
Do., c. B	10c	Dec. 30	Dec. 23
McWatters G., M.	5c	Dec. 18	Dec. 4
Nat. Biscuit	40c	Jan. 15	Dec. 13
Do., pref.	$1.75	Nov. 30	Nov. 15
N. S. Light & P. p.	$1.50	Dec. 2	Nov. 16
Penmans Ltd. c.	75c	Nov.15	Nov. 5
Quebec Power	25c	Nov. 15	Oct. 25
Royal Bank c.	$2.00	Dec. 2	Oct. 31
Rolland Paper pf.	$1.50	Dec. 2	Nov. 15
Royalite Oil	50c	Dec. 2	Nov. 15
Do., special	25c	Dec. 2	Nov. 15
South. Can. Pr. c.	20c	Nov. 15	Oct. 31
So. Amer. Gold	10c	Nov. 27	Nov. 15
Shawinigan W.	12c	Nov. 15	Oct. 23
Std. Silver & Lead	1c.	Dec. 20	Dec. 1
Sylvanite Gold	5c	Dec. 31	Nov. 23
Toronto Elevators, c.	$1	Nov. 15	Nov. 1
Toburn Gold c.	2c	Nov. 21	Oct. 21
United Corp. A	50c	Nov. 15	Nov. 1

‡Interim.
▲Quarter ended Feb. 15, 1934.
*Initial.

Winnipeg Stock Exchange

(Transactions from Nov. 4 to Nov. 8)

	Sales	High for period	Low for period	Close Nov. 8
Canadian Fires	84	.78	.77	.77
Cons. Goldfields	3,000	.04	.04	.04
Cres. Cream, pfd.	2	.29	.29	.29
Flin Flon	3,300	.21	.19	.19
Gold Lake	6,500	.34	.31	.33
Home Invest.	30	.25	.25	.25
Island Lake	2,000	.02½	.02½	.02½
North. Trust	20	7	7	7
Rel. Grain, pf.	20	.78	.78	.78
United Grain	29	.12½	.12½	.12½
West. Grain, pf.	6	.10½	.10½	.10½
Wylie Dom.	7,000	.16	.14	.16

Stocks Not Traded in During Week*	Bid	Ask.
Beaver Fire Ins.	..	100
Beaver Lumber, c.	..	3
Do., pref.	..	68
City Dairy, A	..	10
Can. Amer. Trust	3.45	3.60
Can. Inv. Fund	..	4.05
Fundamental A	5.33	5.87
Series B	5.04	..
Grouped Income	5.11	5.60

*Stocks more active on other exchanges not included.

Listed Bond Quotations

Week Ending Nov. 11, 1935

	Int. rate	Due	High	Low	Range 1935 High	Low
Mtl. L. H. & P. Debs	3	'39	50	49½	50½	48
McNish	6	'48	3.90	...	4.00	3.25

Week In Wheat

Technically Stronger

* * *

Exports Improving

Statistically the Canadian wheat situation is on the verge of improvement. This, however, has not become pronounced enough to become a market factor, nor has it yet served as a check against the weakening influences which have lately prevailed in world markets. But it may have some effect as it becomes more apparent.

For three weeks Canadian overseas shipments have been at a fairly good rate, in excess of four million bushels weekly. In addition there have been heavy withdrawals from bond with duty being paid of Canadian wheat in United States positions. If corresponding movement and business can be maintained some sharp declines are due in the Canadian visible supply, instead of the steadily mounting figures which have lately had an alarming effect.

Currently Canadian wheat is disappearing more rapidly than new deliveries are being made. The fact, however, has been disguised by more wheat showing up in the east from the technically invisible position of lake transit than has been loaded on vessels at the head of the lakes. In addition it is to be expected that American mills may begin to withdraw from visible supplies Canadian wheat in various United States elevators on which duty has been paid or which is destined for milling in bond.

Reaction Is Absent

THE recent quiet tone of the wheat market, in the face of some decided improvement in overseas shipments, as well as in duty-paid admission of Canadian wheat to the United States, has been a surprise to some observers. It appears, however, that such disposals have not been reflected in recent transactions in the Winnipeg market because they had been previously covered there. Earlier they gave an activity to the market which has been lacking recently.

Much of the wheat accumulated for United States mills was taken out of Winnipeg market weeks ago, and hedged either in Chicago or in Minneapolis. Formal customs entry of such wheat into the United States is simply one additional step in the series of transactions involved in its purchase.

Much of the wheat shipped during the last two weeks from the Atlantic seaboard was apparently purchased outright several weeks ago. On the other hand some of the recent shipment from Vancouver is probably still owned by the exporters who have shipped it. It will be carried under hedging sales made in the Winnipeg futures market until it is disposed of to the overseas buyer.

It is not probable that shipments overseas of more than four million bushels of wheat weekly can long continue without some fresh buying coming into the Winnipeg market to cover the actual export movement. Investment buying, which has to a large extent dried up the wheat market, might be attracted by the sight of such movement.

* * *

Deliveries Fall Off

DELIVERIES of wheat by farmers at country points have fallen off decidedly during the last two weeks. They are running well below last year, although the total deliveries to date are ahead of 1934. With a total crop approximately the same size as that of 1934, farmers' deliveries were hastened to some extent by the fact that a larger proportion of the crop had been harvested in the southern part of the country. There harvesting and threshing were comparatively early. The crop from the more northerly districts was smaller and later than in 1934. Unfavorable weather made it difficult for farmers to complete threshing and hauling.

The price situation has also had an effect. When prices were running at a comparatively high level, over Wheat Board prices for most grades, farmers rushed deliveries and sales. Now that all wheat prices are below the levels paid by the Wheat Board, farmers are somewhat reluctant sellers. They feel that nothing is lost by delaying deliveries, as they are assured of the Wheat Board's minimum price any time and there is always hope that the market may rise again.

* * *

Bearish Factors

AGAINST that prospective improvement in the Canadian position there has to be set continued free selling of Argentine wheat. This is the result not only of larger supplies than expected of old crop wheat, but also because new wheat begins to be offered for January and February shipment at somewhat lower prices. Evidently although the Argentine new crop surplus is expected to be small, fairly free selling at the beginning is expected.

Current troubles in China, both on account of currency and with Japan, are creating some alarm lest the ability of China to import may be less than was earlier supposed.

Under these conditions there has been very little new buying in the market, such as will be required as a basis for continued large overseas movement. The reasonable hope is for fairly heavy movement of Canadian wheat for at least the next three months, as new crop Argentine wheat hardly becomes available much before March first.

* * *

Discount British Pressure

NEW YORK reports a story which does not correspond with information available either in Winnipeg or in Liverpool. It is stated that British authorities are alarmed over possible increases in wheat prices, mainly because of the currency situation due to heavy gold movements to the United States. Pressure on the Canadian government to make large sales to prevent such increase is said to be in mind of the British Government. But the way in which the market has been sagging, and lack of interest in forward purchases does not correspond with this idea.

Sees Big U.S. Wheat Order As Certain This Season

Must Buy 75 Million Bushels From Canada, Says Montana's Tom Campbell — Is World's Largest Wheat Farmer

Into Toronto this week breezed the "most portentous plowman of the plains."

Tom Campbell, of Hardin, Montana, the world's biggest wheat farmer, stayed long enough to visit a sister, size up the Canadian grain and milling situation, and tell The Financial Post that the United States will import at least 75 millions of bushels of Canadian wheat this year.

Need 75 Million Bushels

That is the amount, Campbell thinks, that the United States will be shy of good milling wheat. There is plenty of wheat in the United States but a lot of it is just "chicken feed." Millers and other processors—such as Campbell's brother-in-law's Cream of Wheat Company—will need 50 millions, he says. And another 25 millions will be needed for seed.

This American engineer-farmer, son of a Scottish immigrant, says there is no wheat anywhere in the world to take the place of Canada's accumulated surplus of good hard wheat. Millers who want good wheat will, he says, have to buy it from Canada, including American millers, whether the duty is 42 cents a bushel—as it is now—or less under the U. S.-Canada deal now being negotiated. Already the shortage of milling wheat in the United States is indicated by the fact that millers are paying a premium of 30 cents a bushel over market prices for wheat of milling grades.

Backs McFarland

Tom Campbell is strong for government aid for the farmer. He helped Hoover set up the Federal Farm Board that operated in the States much as Canada's grain stabilization account has operated here. He came within a hair's breadth of being Hoover's Secretary of Agriculture but his Republicanism has not deterred him from advising the Roosevelt administration on AAA and other phases of the New Deal for United States farmers.

With that background it is hardly surprising that he thinks Mr. Bennett and Mr. McFarland did a bright thing in storing wheat, holding up the Canadian price and putting Canada in possession of a large block of hard milling wheat at the present time.

$100 Millions Profit

"You'll make a hundred millions profit on your wheat holdings," said Campbell this week. He said it to The Financial Post and he probably said it to Canadian millers and grain men who were sceptical, citing the fact that Campbell is not always correct in his forecasts.

Campbell got back from Russia not long ago after one of numerous trips to the Soviet. In 1929 Stalin hired him to establish Russia's collective farms. Under a five-year contract, he organized in Russia the largest wheat farms in the world, equipped them with modern machinery and tried to teach the Russians to run them.

200,000 Acre Farm

He has just finished seeding his Montana farm, or 22,000 acres of it. The farm contains close to 200,000 acres and Campbell has had as much as 47,000 acres of it in wheat in a single year. But droughts, soil-drifting and AAA curtailment programmes cut him down last year to 19,000 acres, and this year to 22,000 acres.

He has harvested as much as 825,000 bushels of wheat in one year but this year got only 7½ bushels to the acre or about 150,000 bushels. It was all good milling wheat however.

Four Good Years Ahead

Twenty-two combines harvested it, working 13 hours a day and harvesting at the rate of an acre a minute. When Campbell plows, he plows 24 hours a day, using searchlights for the night end of the job and plowing an acre every two minutes.

"We have four good wheat years ahead," he said. "Our charts on weather go back over 70 years. They show that the drought cycle is over. We'll have improving moisture for four years beginning with the crop we've just put in. But there won't be bumper crops next year. There is not enough moisture yet."

Say Big Loss Certain Government Operations Unless Dollar Wheat

May Drop $10 Millions on Present Crop Alone — No Problem Yet of Surplus on Wheat Board Operations to Date

From Our Own Correspondent

WINNIPEG. — Losses up to $25 millions are seen as fairly certain for the Dominion Government on its wheat operations unless holdings are mainly liquidated at a dollar a bushel or better.

Although government auditors are understood to be at work trying to establish the approximate financial position of the government in respect to wheat board operations to date, outsiders have been busy trying to make estimates. These perhaps should be called guesses. They range between out-of-pocket losses for the government of from $15 to $25 millions.

Depends on Liquidation

If all the wheat now carried by government agencies could be instantly liquidated at current market prices the lower figure mentioned would appear to be about the correct one. If prices advance gradually by enough to take care of the carrying costs on wheat stocks, it would still be about correct under actual conditions of sale. If they do not advance to cover carrying costs, the larger figure would be nearer the mark.

The prospective deficit on wheat operations falls into two parts. The first would be that incurred in liquidating commitments and purchases made before the wheat board was established. The second is that on this year's purchases.

$10 Millions This Year

At the close of last week the price of No. 1 northern wheat at Fort William was three cents a bushel under the Board price. But on many grades and on wheat bought to go to Vancouver the difference was decidedly larger. Averaging all grades and positions the Board would be out about five cents a bushel, which on a total of about 150 million bushels which it may handle would make a total of $7.5 millions. This amount is likely to be increased to from ten to fifteen millions by carrying costs before sales are completed. A good deal of wheat has been sold at higher than Board prices, but for the most part this has been farmers' wheat sold directly to the market.

As for the carryover wheat, no one can be sure just how much of this has been sold or at what price levels. But the July 31 position was probably about 200 million bushels at a cost of close to 90 cents a bushel. This on the basis of last Saturday's closing price would have meant a loss of about $12 millions, an amount probably not greatly changed as the result of some millions of bushels sold, partly above the cost price, but also partly below it.

Subject to Change

All financial calculations in this respect are subject to qualification from two unpredictables. One is the future course of prices. If the government is the practical or prospective owner now of about 300 million bushels of wheat, which taking into account purchases yet to be made by the wheat Board, is approximately the case, each alteration of a cent a bushel in price means a difference of $3 millions in the financial result. As for carrying costs, they must be mounting at present by approximately $2.5 millions a month. The latter figure is subject to sharp reduction as the total quantity carried decreases, as it will almost certainly commence to do in the near future.

When wheat prices were grazing the dollar mark for the May future it was possible to figure on some profit to be realized out of the old stabilization operations, as well as some surplus on this year's crop operations, which would ultimately be distributed by the Wheat Board to the farmers who sold wheat to it. The subsequent decline in price, however, brings the government face to face with a possibly large drain on the treasury.

Vancouver Elevators Full Railway Shipments Limited

From Our Own Correspondent

WINNIPEG. — With Vancouver elevators plugged full of grain, the railways are allowing cars to be loaded for shipment to that port only when space for grain is guaranteed by terminal elevators. This can only be done to the extent that grain is loaded on vessels at Vancouver. At some country elevators in Western Alberta difficulty is arising in finding accommodation for new deliveries by farmers. Lower freight rates are in force to Vancouver in comparison with Fort William. Therefore, wheat purchased on Board account can only be shipped to the western port.

Vancouver Prices Lower

Vancouver prices on practically all grades are lower than the corresponding prices at the head of the lakes, which apparently means that the Wheat Board is willing to offer its western stocks at lower prices than eastern stocks. But they have not been offered at sufficient discount to enable Vancouver to do much business with the British and European markets.

Shipments from Vancouver are being offered in the British market at a premium over shipments of corresponding grades from the Atlantic sea-board. Last year Vancouver grain was at a considerable discount in the British market.

Long Ocean Trip

When it was sold at a discount the situation was due primarily to the length of time necessary for the ocean trip from Vancouver. Millers, buying only from hand to mouth, did not want to commit themselves far enough ahead to buy grain out of Vancouver. But prices at Vancouver and freight rates were both cut low enough to meet the situation and to enable Vancouver to do a large share of the business. But freight rates from the Pacific Coast are comparatively stiff at the moment, and a larger discount is apparently necessary at Vancouver before that port can enlarge its business.

TOR. ELEVATORS SELLS INVENTORY PAYS OFF BANK

Earnings Substantially Lower in Year Ended July 31, 1935

A substantial decline in earnings in the year ended July 31, 1935, is reported by Toronto Elevators Ltd., net profit for the year being equivalent to $12.22 per share on the preferred stock and $3.04 per share on the common. This compares with $4.23 per share on the common in 1934 and $2.85 per share in 1933.

Consolidated operating profit for the year amounted to $359,912. After deducting depreciation, interest and income tax, there remained a balance of $181,651 available for dividends.

James Playfair, president, in his statement to shareholders, explains how the consolidated operating profit was expended. The following is his summary:

Summary

	$
Reduction City of Sarnia loans ..	32,460.96
Interest City of Sarnia loans	32,174.50
Prov. for federal income tax	28,496.29
Divds. on preferred stock	104,455.75
Divds. on common stock	25,000.00
Net expenditure on fixed assets	8,431.26
Increase in working capital	136,655.30
	367,674.06
Less decrease in other assets	7,762.21
	359,911.85

Inventories Liquidated

Current assets as at July 31 totalled $5.3 millions and current liabilities $4.5 millions. Since the date of the balance sheet, however, both current assets and current liabilities have reduced sharply.

As a result of the Dominion government agency taking delivery of all wheat on which it held futures, the company has disposed of most of its inventories. The balance sheet as at July 31 showed inventories of $4.5 millions. Secured bank loans amounted to $4.1 millions. The latter have been liquidated with money received through sale of inventories.

Liquidation of inventories does not mean that the company's elevators have been emptied, but merely reflects a change in the wheat policy of the Dominion government. In the past elevator companies have carried huge inventories of hedged wheat, futures on which were owned by the government. The difference between the cost of the wheat and the selling price of the futures represented storage charges and profits to the elevator company. Now wheat is carried directly for the government account, a charge being made for storage. The current charge for storage is one forty-fifth of a cent per bushel a day.

New Annex Completed

Grain started pouring into the new two-million-bushel-capacity annex to the company's Toronto elevator on Nov. 12. Except for the installation of a small amount of machinery, construction of the annex, which commenced two months ago, has been completed. The company expects that the new addition will be filled to capacity by the time inland navigation closes.

For details of the company's financial statement see under company reports on page 12.

Three Rivers Elevator

The first grain elevator to be planned for a St. Lawrence port in some time will be constructed at Three Rivers, it is announced by Romeo Lariviere, secretary of the Three Rivers Harbor Commission. The cost will be $700,000, and the elevator will be built to hold a maximum of 2 millions of bushels.

Key Facts About Wheat

	Week bu.	Prev. Week bu.	Same Wk. Prev. Year bu.
Canadian Wheat in Store:			
Terminal elevators (Nov. 8)	74,570,000	74,509,000	82,227,000
Country elevators (Nov. 1)	87,171,000	85,923,000	98,368,000
Total (all points), (incl. Nov. 1 Term. wk. Nov. 8)	161,741,000	160,432,000	180,595,000
World Shipm'ts. (incl. flour), (wk. Oct. 28)			
North American	4,089,000	3,003,000	3,400,000
Argentine	1,484,000	1,810,000	1,960,000
Australian	2,787,000	2,034,000	3,224,000
Others	2,312,000	2,448,000	1,576,000
Total (world)	10,672,000	9,295,000	10,160,000
Visible Supply (Oct. 29):			
Canada	164,683,000	162,417,000	134,403,000
United States	76,100,000	76,408,000	103,079,000
Country Marketings and Exports:†			
Canadian exports (Nov. 1)	4,578,000	2,655,000	3,411,000
Cum. to Nov. 1 (13 weeks)	32,350,000	37,772,000	40,982,000
Country marketings (Oct. 25)	11,658,000	13,312,000	9,749,000
Cum. to Oct. 25 (12 weeks)	139,077,000	127,419,000	132,354,000
Country deliveries (cum. Nov. 8)‡	153,480,000	149,260,000	149,121,000
Country loadings (cum. Nov. 8)‡	114,427,000	109,217,000	109,382,000

†Excluding flour. ‡Sanford Evans Weekly Report.

Winnipeg Grain Prices

Week to Nov. 12, 1935

Crop year from Aug. 1, 1935 High	Low		Open Nov. 6	High for week	Low for week	Close Nov. 12
		Wheat				
.98¼	.82⅝	Dec.	.84½	.85¼	.83⅜	.83½
1.02¼	.85⅝	May	.88½	.89⅝	.87½	.87½
.98	.83⅛	Nov.	.84⅝	.85¼	.83½	.83½
.89⅞	.88	July	....	.89⅞	.88	.88
		Oats				
.33½	.27½	Dec.	.28	.28½	.27⅞	.28
.35⅝	.29⅝	May	.30	.30¾	.29⅝	.30
.30⅞	.30	July	....	.30⅞	.30	.30¼
		Barley				
.39½	.31⅝	Dec.	.32¾	.34¾	.32¾	.33¼
.42½	.34¾	May	.35⅝	.37⅝	.35⅝	.36¼
		Flax				
1.48⅝	1.19¾	Dec.	1.40	1.42	1.39½	1.39½
1.54	1.33	May	1.43½	1.45¼	1.41¼	1.41¼
1.46¼	1.36	Nov.	1.43½	1.44⅝	1.43	1.43
		Rye				
.49½	.37⅝	Dec.	.40	.41½	.39⅝	.40
.51⅞	.41¼	May	.43⅛	.44½	.43⅛	.43½
.46⅛	.44½	July	....	.46½	.44⅛	.44⅝

ANNOUNCEMENT NEW WHEAT BD. NEXT FEW DAYS?

Expect Ramsey to be Head and Dundas Vice-Chairman

From Our Own Correspondent

OTTAWA. — The wheat board problem will almost certainly come to a head at Ottawa next week when John I. McFarland is expected to visit the capital and consult with the Government.

It may be taken as certain that the present board will not be continued in office indefinitely. Sooner or later and quite possibly next week, the resignations of Mr. McFarland and Messrs. Smith and Grant, his associates, will be accepted and a new board created.

Ramsey Favored

The chairmanship of the new board so far as gossip reveals the situation is most likely to go to E. B. Ramsey, now chairman of the Board of Grain Commissioners. The name of R. S. Dundas, a grain board commissioner now at Saskatoon, is being mooted as the vice-chairman and an experienced grain exchange man is being sought for the third post.

Full Time or Not

Just how the new board will be constituted is very much in doubt. It has been generally presumed that Mr. Ramsey as well as Mr. Dundas, if he is chosen, will be seconded from the Grain Commission and will act without special remuneration. But there is, also, a strong feeling among ministers that the Wheat Board is a full-time job and difficulties may develop on this account.

Among grain men, the name of Roy Milner is being mentioned as the type to be desired. He is reported to be a strong Conservative in politics but this might be no handicap to his selection.

WESTERN POOLS REPORT PROGRESS FOR FISCAL YEAR

Three Bodies Able to Meet Obligations on '29 Overpayment Loans

From Our Own Correspondent

REGINA.—Canadian Co-operative Wheat Producers, Ltd., representing the three western provincial pools, reports the organizations have had another year of financial progress.

The three pools have been able to meet operating expenses for the year and payments of principal and interest to their governments covering the 1929 overpayment loans and have set up substantial reserves.

Urged Minimum Price

The report states the directors strongly urged a minimum wheat price that would bear relationship to the cost of production. The 87½ cents per bushel, No. 1. Northern Fort William, set by the wheat board was not as high as the figure the directors proposed. They were of the opinion, however, that the wheat board's figure met with general approval.

To overcome losses in grade as well as yield, the directors urged that spreads in prices between grades should be kept within as narrow limits as possible. Prices now fixed on lower grades, the directors feel, should avoid widening spreads and assure the producer of stabilized prices throughout the season.

Deflation Blamed

The report deals with the rise of the present international wheat situation and blames deflation for limited world trade. Governmental control has banished free markets. Speculation has been curtailed. Buying and selling concentration has fundamentally altered distribution and governments have found it necessary to take legislative action for protection of the producer and grain industry.

Supporting formation of the wheat board in Canada, the report argues that changing world conditions are compelling governments to adopt, to an increasing degree, measures of regulation and control.

Dressed Poultry for England

There has been an exceptionally good market for Canadian dressed poultry in the British Isles this year. From Jan. 1, to Sept. 30, 1935, a total of 2.3 million pounds of chickens, turkeys, fowl, ducks and geese have been shipped from the Dominion, compared with a total of 832,090 pounds for the corresponding nine months of 1934, and 4,375 pounds for the similar nine months in 1933.

Farm Factors

End of Control?

THE resignation of Archibald Leitch from the Chairmanship of the Dominion Marketing Board looks like the beginning of a general overhaul of all the farm marketing legislation passed by the late Bennett government. During the recent federal election the Liberal party made no bones about their opposition to the compulsory features of this farm legislation, and seemed particularly opposed to any control of prices and production

Mr. Leitch's resignation takes place on January 1 next. He is a prominent tobacco grower and landholder of tobacco lands in Norfolk County, Ontario. Before this he was head of the economics department of the Ontario Agricultural College.

For a year previous to the last election the Marketing Board was very active, agricultural products all over Canada being gradually brought under its jurisdiction. Its objective was the marketing of these products at stable prices, and control over production through reductions in acreage or rigid culling of the products on the way to market. Potatoes, cheese, apples, butter, beans, tobacco, jam, and a number of other things were included in the various local marketing schemes. As a rule those products which were grown in a fairly well defined area, were the ones affected. No attempt was made to interfere with such large scale productions as wheat, though until the adverse vote last winter in the prairie provinces, there was some hope of including eggs.

* * *

Exports to U.S.

UNITED STATES still appears to be running pretty close to the boards in the matter of food, according to a summary of the outlook by the Bureau of Agricultural Economics at Washington. It is estimated that the combined supply of all foods available for consumption in 1935-6 may be slightly larger than in the previous season, but about 1 per cent less than the average.

Meat supplies are expected to reach the lowest point in the cycle in 1936, but by the end of the year some increase in the number of livestock available for slaughter is anticipated. This would indicate that the recent good market in the United States for Canadian cattle would have some hope of continuing far into 1936.

"Some good milling wheat will have to be imported the Bureau states and it seems probable that the actual food consumption of wheat will be as large or larger than last season in spite of the reduction in total supplies."

There is not much hope of any extensive Canadian exports of dairy products to the United States. The report anticipates larger production of these following good pasture and fodder conditions than a year ago.

* * *

Winter Feed Ample

HAY and other forage crops as well as coarse grains are quite plentiful in all provinces of Canada, states a summary of the dairy outlook recently prepared by the Dominion Bureau of Statistics. With the exception of a few districts in Eastern Nova Scotia, South-western Saskatchewan and South-eastern Alberta, supplies are ample in all cases.

This will mean that farmers will have plenty of material for feeding both dairy and beef stock in most parts of Canada. Low cost of production of beef, lamb, pork and dairy products will be the result. At present prices for these commodities it will mean that farmers will have a greater proportion of their total revenue to spend on non-farm goods. In some years when feed supplies were low and cattle prices also, feed purchases often amounted to a very large proportion of, if not all the revenue received from winter produced stock or dairy products.

TOBACCO DEALS LIKELY TO CAUSE VALUE INCREASE

Ontario Crop Valuation Previously Placed at $8 Millions

Recent purchases by Canadian and British manufacturers of Ontario flue-cured tobacco are likely to cause a rise in the value of this year's crop from the previous estimate of $8 millions by experts.

This report is considered encouraging when it is recalled that it is only a comparatively few years ago that tobacco-growing in Canada was limited to a few farmers raising the product for personal use or for a limited local market.

30,000 Acres Now Used

Now approximately 30,000 acres in Southern Ontario are almost exclusively devoted to the growing of tobacco. This year's crop amounts to 35 million pounds, and has a selling value of $3 millions in excess of the crop return of 1934.

Many of the finest cigarettes and other tobacco products in Canada incorporate the domestic crop in large and increasing quantities, where hitherto, American and other tobaccos had been used. The Canadian leaf also has an excellent market in Great Britain in competition with foreign leaf.

The Imperial Tobacco Co. of Canada which buys a great part of the Canadian crop has had much to do with the strides taken by the tobacco-growing districts because it has pursued a policy for years of trying to encourage domestic production.

Instruction Necessary

First, however, it was necessary to teach growers gradually what and how to grow in order to meet public tastes long accustomed to foreign leaf. The company went to considerable trouble and expense to interest the grower in improving and enlarging his crop for the domestic market. It also illustrated to him the precise processes by which the domestic market might be developed in a profitable way.

This, and the researches of government experts, combined largely to create a large and marketable crop, valued at more than $8 millions a year.

Wheat Prices

(Cash Quotations)

	Aver. for wk. Nov. 2	Previous week
At Winnipeg	$	$
No. 1 Man. Hard	0.872	0.902
No. 1 Northern	0.858	0.867
No. 2 Northern	0.835	0.862
No. 3 Northern	0.781	0.810
No. 4 Northern	0.720	0.753
No. 5 Wheat	0.650	0.682
No. 6 Wheat	0.640	0.650
Feed Wheat	0.468	0.489
At Vancouver:		
No. 1 Northern	0.839	0.867
At Toronto:		
Milling Wheat	0.72	0.75

Competitive Export Prices: (November) shipment:

	High	Low
	Week to Nov. 8	
	$	$
No. 1 North. (Vanc.) ..	1.03¼	1.00⅞
No. 2 North. (Atlan.) ..	0.98⅝	0.95½
No. 2 North. (Vanc.) ..	1.00⅛	0.97⅞
Argentine Rosafe	0.90⅛	0.87¾
Do., Barusso	0.88½	0.87
West Australian	0.92½	0.90⅛
French	0.75¼	0.74½
Russian	0.89¼	0.87¾

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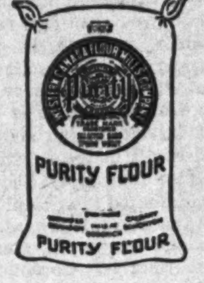

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Week in Mining—

Is Copper Out of the Red?

* * * *

Paid $145; Received $527

Their appetites whetted by the strong advances recorded in the past two or three weeks, market men were disappointed at the general tone of the mining market during the week just past. With the exception of the short-lived flurry caused by the gold tax reduction rumor, prices were generally lower, the ever-present profit takers having been particularly noticeable.

The rumor, which sent stocks soaring for a few short hours, was apparently a case of the wish being father to the thought. Somehow, the report gained wide circulation that the federal government planned, "within 48 hours" reduction of taxation on the gold mines. Despite the obvious impossibility of such sudden action on the part of the new government, the report persisted until officially denied by Hon. T. A. Crerar, minister of mines.

Despite the generally softer tendency of the market as a whole, the junior gold stocks stood up well, and many of them recorded gains.

On the whole, however, there was little to recommend the week's market, and the properties themselves proved infinitely more interesting.

McWatters Dividend

THE fact that the declaration of an initial dividend from the new Rouyn producer, McWatters Gold Mines, failed to have any marked effect on the market price was because of the fact that a dividend had been fairly widely forecast, and had been discounted, marketwise, weeks ago. Nevertheless the fact that this young producer should announce its first dividend a little more than a year after the first 50-ton mill started, is a matter of congratulations all round. Development of this property, re-staked in 1932 by Dave McWatters, has been businesslike from the start.

The initial dividend, incidentally, was five cents per share, payable Dec. 18, 1934 to shareholders of record Dec. 4. The payment will call for disbursement of $94,275 on the 1,885,506 shares outstanding.

* * *

Copper and Sherritt

THERE have been several favorable developments in copper of late, developments which were given tangible form at the annual meeting of Sherritt-Gordon Mines, a few days ago. At this meeting, Halstead Lindsley, president, expressed the hope that the mine, idle since June, 1932, would re-start in the Spring. It definitely would restart, he said, as soon as copper prices reached 10 cents per pound, and showed some signs of staying there. Developments in the past two or three months gave ground for hope that this goal would be reached, Mr. Lindsley remarked.

This view is substantiated by some observers of the copper situation, which is a complex one, and one not easily amenable to definition. Generally speaking, however, the recent rise in copper prices is apparently caused by three major factors, working simultaneously, namely, the international restriction scheme, an expansion of demand, chiefly for armament, and a "re-stocking" movement on the part of consumers.

As pointed out by The Economist, of London, in a recent article, the fact that the present level of demand can be satisfied at a price which is still less than one half of what it was in 1929 is striking evidence of the change which has taken place in the structure of the copper mining industry in the past six years.

* * *

THE three forces cited above as affecting the current copper quotations, while clearing the situation somewhat, are not the best basis in the world for permanent improvement. The international restriction scheme, devised in New York late last March, by a group of producers representing about 75 per cent of total world production, was never intended to be a permanent agreement, and there is little doubt that a substantial rise in price would result in an increase in the production quotas of the restricting countries. Secondly, there must be some finishing line to the world armament race, and the use of copper for this purpose has an obvious limit.

Until normal demand for copper is materially sharper than it is now, any worthwhile increase in the price of copper would result in increased output, restrictions or no restrictions. Secondly, there is the ever present fear that high copper prices would result in the substitution of aluminum for copper. Recent research has increased the potentialities for aluminum in this regard.

While the ten cents per pound goal set by Sherritt Gordon is close enough to justify hope for resumption of operations, the path to pre-depression copper prices is beset by many pitfalls, only a few of which have been mentioned above.

* * *

Nickel's Statement

THE optimism with which International Nickel has been handled in these columns is given firm basis in the third quarter report from this company, details of which will be found in another column. Quarterly earnings have steadily increased, with the result that, as reported last week, the company has twice increased its quarterly dividend in 1935. For the third quarter of 1935, earnings per share approximate 50 cents, as compared with 34 and 30 cents in the second and first quarter. Increased demand for nickel, and higher copper prices are, of course, behind this excellent showing.

* * *

Mines as Spenders

IT WOULD be stressing the obvious to point out the relations which the Dominion Bureau of Statistics' report on the amount spent by mining companies in Canada bears to the vexed question of mining taxation. It is surely apparent that any industry which, in direct expenses alone, pays out, in the course of one year, over $76 million deserves consideration when it comes to governmental taxation.

The inevitable office statistician points out that this expenditure works out to about $145 per minute. Since the Canadian mining industry is credited last year with producing minerals to the value of some $277.5 million, for an expenditure of $145 per minute the shareholders are receiving $527 per minute in value, which is not bad return on one's money.

Current Chatter From Manitoba

From Our Own Correspondent

WINNIPEG. — Kingfisher Mines is again about to drill. A recent examination of the test shaft on the Valley vein, sunk to a depth of 35 ft., gives good values on both walls, while diamond drilling to shallow horizons indicates an ore body over a length of 450 ft.

The programme now outlined, to be financed by present shareholders, is for deeper drilling in order to show ore possibilities at depth. Some drilling will also be done on the Lilly claim belonging to the same group where one previously drilled hole showed a body of ore five ft. wide.

* * *

Central Manitoba

Central Manitoba Mines output for October was one of the best in some time. At $35 an ounce the bullion was worth well over $48,000. As the metal contains some copper and silver, mint returns will be somewhat less but the month's recovery will be well above average and allow a substantial margin over working costs and also current exploration expenditures.

Central Manitoba's ore is now being drawn from lateral shoots and some rather interesting possibilities in this direction are indicated.

* * *

Amisk to Resume

Diamond drilling and other development work will be resumed within the next few weeks at the Amisk Mine, Beaver Lake, where work has been held up for a long time by legal entanglements and lawsuits. English and Canadian capital will finance the work.

Work will be started again as the result of a visit to Flin Flon last week of Col. T. T. Wadington, of London, representing the English interests participating.

The mine shaft is down about 180 ft., and considerable drifting and other work was done before operations were halted in Oct., 1933. Previous development showed gold values over good widths.

Faith & Diamonds

Subscriber Convinced Precious Stones in Canada Need Only the Seeking

Editor, The Financial Post:

In The Financial Post, of Nov. 27 you have an article, "Experts Again Rouse Faith in Canada Diamond Field," written by Janet Munro.

Judging from this article experts apparently are trying to prove that there are diamonds in Canada. In my experience in the north country, I have come to the conclusion that we can find almost anything in the mineral line. So far as experts go it might be all right for the readers of The Financial Post, that is, the readers who have money to consult and get expert advice, but when it comes down to hard pan, I cannot help but think of Jim Larose stubbing his toes on the chunk of silver at Cobalt. There were no experts necessary then to know that there was silver in Cobalt.

When the lads hit the trail at Mileage 222 and started the mining Camp of Porcupine and the town of Timmins, there were no experts needed for that.

Might I state that what is required in this country is vision, faith and a very little money.

There are diamonds in Northern Ontario and Quebec. Some time ago I met a mining engineer from South Africa and showed him formation of 150 miles east of Cochrane and he advised me to look for diamonds. I have never had time, I have been so busy trying to make an honest living.

Kimberley Blue Clay

A little east from the spot where I got the formation on which I received the information that there were diamonds in the vicinity there is what is called a muskeg, and there is blue clay the same as is found at Kimberley. When digging in the muskeg for a water tank there were pebbles there. I grubbed among them but did not know whether I had diamonds or not.

All that is required to find diamonds in Northern Ontario and Quebec is vision, faith and a very little money.

So far as coal is concerned what Max Lang, the chairman of the T. & N. O. should do, is to have a diamond drill start in at the Abitibi and keep on going clear across to the Metagami, and they will get coal. The trouble is that we expect to get everything lying on the top.

Before the war, I met a Scotsman from Ayrshire who was in our north country and who told me that he was going home to try and interest people in looking for coal here. As a coal miner he was sure that there was coal and lots of it. I heard when I was over at the war that this poor fellow was killed in the war, so that was the end of that.

Being a student of nature, and as one Scotsman looking in the face of another, I believe the man meant what he said and I believe there is coal and lots of it in the Hudson Bay Basin. What are we going to do about it?

The experts said that it was impossible to get silver in Cobalt. They said about the same time that it was not likely there there would be gold found in Ontario. They found the silver where they got it, and there was a lot of it; they found the gold where they got it and there was a lot of it and lots more yet; and they will find the diamonds where they get them, in Northern Ontario and Quebec in the blue clay. But they will find nothing unless they have vision first, faith next, lots of brawn and muscle, a pickle siller, or dough, (cash).

Parry Sound. JOHN M. DALY.

Metal Prices

New York—Nov. 12—

Copper: Electrolytic spot and future, $9.25.

Silver: 65⅜c.

London—Nov. 12—

(Long Ton)—

Copper: Electrolytic spot, £39 5s.; future, £39 7s. 6d. Standard spot, £35; future, £35 7s. 6d.

Tin: Spot, £237 10s.; future, £218.

Lead: Spot, £18; future, £18.

Zinc: Spot, £16 5s.; future, £16 10s.

Gold: 141s. 4d.

Silver: 29-5/16d.

Canada—Nov. 12—

Gold: $35.15.

INCO'S EARNINGS NET $1.14 A SHARE FOR FIRST 9 MOS.

Net Profit Shows Sharp Jump in Third Quarter

A net profit equivalent to $1.14 per share for the first nine months of the current fiscal year is revealed in the quarterly statement of International Nickel Co. of Canada, mailed to shareholders recently.

During the third quarter of the year, this company shows a net profit of $7,742,585, equivalent to 50 cents per share, compared with a net profit of 34 cents per share and 30 cents per share in the second and first quarters of the year respectively.

The consolidated balance sheet as at Sept. 30 discloses that all funded indebtedness has been eliminated, the balance of the outstanding debenture stock of the Mond Nickel Co. having been retired on Aug. 1. Current assets are $54,805,756, including $26,782,384 in cash and government securities. Current liabilities total $7,848,417 including accounts payable, $3,550,661, and accrued taxes of $3,814,281. The total of earned and capital surplus now amounts to $101,373,310.

Income and surplus account for the third quarter of the fiscal year, and for the nine months ended Sept. 30, is as follows:

*Income and Surplus Account

	3 Mos. ended Sept. 30 1935	9 Mos. ended Sept. 30 1935
	$	$
Earnings	10,842,018	26,709,325
Other income	95,273	329,091
Total income	10,937,291	27,038,416
Less: admin. & head office exp.	389,036	1,117,727
Prov. for taxes	1,223,651	3,157,262
Net oper. income	9,324,604	22,763,427
Less: Int. paid & accr.	26,839	172,366
Deprec., depl. & other reserves	1,555,180	4,510,234
Net profit	7,742,585	18,080,827
Less: appropriations:		
Preferred dividends	483,475	1,450,424
Common dividends	2,915,634	7,289,084
Prem. on deb., red.	114,525	114,525
Surplus for period	4,228,951	9,226,794
Add: Prev. surplus	35,987,859	30,990,016
Surplus forward	40,216,810	40,216,810
Earnings per share:		
Common: earned	$0.50	$1.14

*In terms of U. S. currency.

Note: Exchange adjustments for the nine months ended Sept. 30 amounting to a net debit of $383,870 were not reflected in the net profit but were charged against Exchange Reserve.

LAMAQUE'S MILL NOW AT 500 TONS FORBES REVEALS

Shareholders Get Bright Picture of Teck Operations

At an annual meeting marked by a complete absence of the storms and criticism of former years, Teck-Hughes shareholders were given an encouraging picture of conditions at both the parent property, and the new producing subsidiary, Lamaque Gold Mines, by Dr. L. H. Forbes, president, in Toronto recently.

An operating profit of about $188,000 a month, or about 12 to 13 cents per share had been shown in the first quarter of the fiscal year, shareholders were told. While output during the winter would be curtailed somewhat by cessation of the tailings mill, Dr. Forbes believed that this rate could be maintained for the entire fiscal year at least.

Speaking of Lamaque, Dr. Forbes revealed that for three or four days, the first milling unit has been operating at a rate of 500 tons daily. The No. 6 shaft has reached its objective of 1,200 ft., thereby allowing winter development to concentrate on lateral work.

No startling news as to developments at the parent property was forthcoming, the president stating that deep level developments here had not changed since the annual report was prepared at Aug. 31. Between the 46th and 50th levels, 508 ft. of ore had been developed, averaging 10.21 dwt. per ton across an average width of 7.8 ft.

Coniaurum Takes Up Options on Pamour

Directors of Coniaurum Mines have decided to exercise in advance the options which the company holds to purchase additional stock in Pamour Porcupine Mines, The Post is informed officially.

When these options have been exercised, it is planned to offer Coniaurum shareholders rights to purchase one share of Pamour Porcupine at 20 cents a share (the cost to Coniaurum) for each ten shares of that company held.

Further details were not available at press time, but it is understood they will be forthcoming when the Pamour shares, still under option, have been received.

BULOLO EARNINGS AT $3.37 A SHARE REACH NEW HIGH

New Guinea Operation Proves Highly Profitable

Bulolo Gold Dredging Ltd., Canada's highly profitable placer operation in the Mandated Territory of New Guinea, reports an operating profit for the fiscal year ended May 31, 1935, $1,133,299 higher than the previous year's profit.

In cubic yards of gravel treated, gold and silver recovery and in dividends paid, the year was a banner one for this company, which pioneered development of placer fields in this inacccessible area.

Earnings per share for the year were equivalent to $3.37, as compared with $2.73 per share earned in the fiscal year ended May 31, 1934, despite an increase in the number of shares issued, which, at the end of May, totalled 940,000, of an authorized capitalization of 1.2 million shares, par value $5. As at May 31, 1934, issued capital stood at 765,000 shares. The increase in outstanding capitalization was due to the issuance of 170,000 shares to Placer Development Ltd. in full payment for the Bulowat-Burnside areas, and a further 5,000 shares to the same company, for its interest in the Arnold property, details of which were reported at the time of acquisition in The Post.

Referring to the No. 4 dredge, which was brought into operation in August, 1934, H. A. Gould, secretary of the company, reports that it is working satisfactorily, and has handled an average of over 8,000 cubic yards a day.

Some indication of the enormous obstacles which this company has had to face in the way of transportation, is contained in the terse reference to the fact that during the year, 2,792 tons of coal were taken in by 'plane, the only means of access to this mountain-girt property. From the commencement of flying until May 31, 1935, a total of 13,217 tons have been flown into the property.

The company's balance sheet shows current liabilities of $50,692 and current assets of $2,383,165, which reflects a distinct improvement in the company's liquid position.

Income and Surplus Account
Years Ended May 31

	1935	1934
	$	$
Bullion produced	4,447,870	2,995,561
Less working costs:		
Wages	155,599	106,978
Supplies	35,685	19,207
Repairs	163,600	140,593
Power	74,862	58,303
Servicing	22,608	18,285
Insurance & mgmt.	60,933	40,644
Jungle clearing	36,014	26,326
Drilling and testing	7,017	8,289
Clean-up expenses	12,317	10,459
Bullion postge. & ins.	13,229	7,722
Automotive	11,911	5,833
General expense	61,374	28,964
Gen. rep. & maint.	54,929	13,177
Travelling expense	20,208	16,063
Medical expenses	16,817	11,994
Laboratory fees	7,650	11,918
Lease fees	9,024	5,225
	3,684,091	2,465,581
Less: Royalties	227,492	149,221
Bullion frgt. & refin.	19,774	17,915
Misc. expl. incl. prop. chgble. of d'rs.' fees admin., travel., rentals, gen. chgs.	67,827	62,747
Oper. profit	3,368,997	2,235,696
Add: Sundry income	16,184	......
Total income	3,385,181	2,235,696
Less: Amort. res. approp.	217,530	150,000
Net profit	3,167,651	2,085,696
Less: Dividends	1,345,500	459,000
Surplus for year	1,822,151	1,626,698
Add: Prev. surplus	2,935,358	1,308,660
Less: Expansion and dredge approp.	2,332,830	......
Surplus forward	2,424,679	2,935,358
Earns. per Share and Divd. Reecord:		
Common: Earned	$3.37	$2.73
Paid	1.50	0.60
Shares Outstanding	940,000	765,000

Grab Samples from N. W Ont.

From Our Own Correspondent

FORT WILLIAM, Ont. — Staff changes and some revision in operations at the Schreiber property of North Shores Gold Mines, have resulted in satisfactory progress toward profitable permanent operations, it is learned. David Graham, formerly mill superintendent, is now in charge at North Shores, where new ore is being developed and the mill said to be running with a return which leaves a fair margin of operating profit.

* * *

Option Schreiber Group

Additional activity north of Schreiber is presaged in the optioning of the nine claims near Schreiber Pyramid held by C. H. Greer, Port Arthur, to a Toronto group represented by A. L. Kemp, with a crew now engaged for further surface work on a vein opened in preliminary work by the owner.

* * *

Survey Ballantyne

A geophysical survey to follow up a previous magnetic survey on the Ballantyne prospect in the Little Long Lac field will be performed by Hans Lundberg's staff for Northern Canada Mining Corp., which has the property under option. Inasmuch as ore deposition in the field appears definitely related to folds and shears in iron formation, geophysical methods are felt to be an economic method of outlining possibilities

NICOLA DIRECTORS PLACE CONFIDENCE IN HIGHER TONNAGE

Ore Reserves on Enterprise Vein Set at 24,880 Tons

Confirmation of the report that Nicola Mines & Metals Ltd., contentious B. C. gold-silver-lead property, was planning an increase in mill tonnage to 100 tons a day, is contained in the annual report of the company for the year ending Oct. 31, 1935.

In the report, the new management, under P. L. Bancroft express great confidence in this property, which has been the victim of many disputes, charges, and investigations in the past.

Today, Mr. Bancroft states, ore reserves on the Enterprise vein are estimated at 15,000 tons of proved ore, and 9,880 tons of probable ore. While the grade of these reserves is not indicated in the report, the management classifies them as of commercial grade.

The reserves, proved, probable and possible in the Joshua, Tubal Cain, Planet, Silver King, and other veins on the property are indeterminate at this time, "and will remain indeterminate until such time as assay maps, missing from the company's records since 'shut-down' are made available," Mr. Bancroft states.

Ship Five Carloads

In estimating the reserves on the Enterprise vein, no consideration has been given to reserves below the 440-ft. level. Indications are, officials state that there is sufficient ore in the other veins to keep the mill operating for at least two years.

Since the mill resumed operations on Sept. 8, five carloads of concentrates have been shipped to the smelter, from which, it is estimated the company will receive an approximate net amount of $21,334.

In deciding to increase the daily mill tonnage to 100 tons, the management aims at reduced costs, and, of course, increased returns. At the present time the mill is operating at about 64 tons per day.

"With 50 tons daily mill tonnage, and with expected millheads values at say $13.03 and an average 90 per cent recovery, the yield, excluding loss of tailings equals $11.72, and with direct costs $4.50 and indirect costs $2, or a total of $6.50 there is a gain of $5.22 profit per ton or $93,960 a year, before depletion," the management points out.

By increasing the tonnage to 100 tons per day, direct charges would be reduced to $4 per ton, and indirect to $1.66, it is estimated, leaving a yearly profit, before depletion, of about $218,160.

The cost of changes to the ball mill, classifier, and other units necessary for increased output has been estimated at $7,065, which could be paid for from current operations.

Issue Balance Sheet

The balance sheet as at July 2 shows current assets of $9,182, including cash of $6,435. Current liabilities, comprising only accounts payable, are shown at $780. Among the liabilities is a mortgage of $56,730. This is the mortgage held by Yorkshire & Canadian Trust Co., repayable at the rate of ten per cent of net smelter returns, subject to minimum annual payments of $10,000 per annum.

Of the authorized capitalization of five million shares, par value 50 cents, 3,837,876 shares are shown as outstanding, and fully paid for. Of the remaining 1,162,124 treasury shares, 210,349 have been subscribed for under the agreement dated Sept. 16, 1935. Subsequent authorizations permit the company to sell a further 151,780 treasury shares at 15 cents each, net to the treasury.

Current Chatter from B. C.

From Our Own Correspondent

VANCOUVER. — Wayside's new 100-ton mill is expected to be in operation by Nov. 20. This is a combination flotation and cyanidation plant, the only one of its kind in British Columbia. Since the strike last May work has been restricted to drifting on the 150-level, opening up a new ore shoot on the 450-level and picking up ore on the fifth level. No cleanup has been made recently, but it is expected that about $40,000 will be realized from operation of the pilot mill.

* * *

Deny Cariboo Bought

Dr. W. B. Burnett, president of Cariboo Gold Quartz, denies that there is a deal in progress with British capitalists for sale of the mine. Dr. Burnett says that six different groups have made offers for control of the Cariboo property, but that they are not being seriously considered inasmuch as the company is no longer in need of cash and is making a satisfactory profit operating independently.

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Kenora Prospectors Ship Bullion — Darwin Shapes Up

From Our Own Correspondent

FORT WILLIAM.—The growing economic importance of goldfield revivals in northwestern Ontario is well illustrated by events of the past few days. At Cedar Island, Shoal Lake, in the Lake of the Woods area, the first gold brick to be poured in this region for nearly three decades was dispatched by Kenora Prospectors and Miners, a Ventures, Ltd., subsidiary. In the Michipicoten field of Algoma District, first runs of the recently overhauled and improved mill at Darwin Gold Mines, bring the old Grace mine of former fame again into the spotlight as the fifth mine in this region to get into production.

Both of these properties, while at widely separated sections, represent the culmination of persistent efforts to revive properties which were idle for many, many years. At one time the Cedar Island mine had development as the Cornucopia, and under Lindsley direction has shaped up into a mine of promise. Initially, as reported in these columns, the Cedar Island mill was run in at 25 tons per day, and the output gradually increased until it is handling about 50 tons per day. The mill was started Oct. 12, and the current bullion pour is the result of a partial clean-up, made somewhat early due to impending freeze-up and temporary disruption of transportation to the mine. Gold valued at approximately $5,000 has been shipped to Ottawa.

New Ore at Darwin

The Grace mine has been revived in Michipicoten by Darwin Gold Mines, and current development is opening up new vistas of ore chances on this old-timer—which as formerly operated in the old boom days was the only one of many mines opened in Michipicoten to get into regular production. The mill at Darwin Gold can handle 50 tons daily, and a start has been made at around 30 tons, with combined flotation and cyanidation installations which can be increased to double the capacity. Meantime, a new shaft is being sunk to an initial objective of 500 ft. and is now below 230 ft., and this will greatly improve ore handling facilities. Recent development has been excellently rewarded, with some ore phases being distinctly high grade.

Mining Reports

Canadian Malartic

Mill tonnage at Canadian Malartic Gold Mines, Ventures-operated subsidiary in Malartic twp. Quebec, will be stepped up to 300 tons per day toward the end of December, E. V. Neelands, general manager, states, in reporting on operation for the quarter ended Sept. 30. All equipment for the increase has been ordered. At present the mill is handling slightly more than 165 tons per day.

During the quarter, new buildings were completed, including a power house for No. 1 shaft and nine dwellings. No. 1 hoist was electrified. Two dams for water storage on Milhaut Creek were completed.

Mr. Neelands reports that a programme for development of two new levels at 500 ft. and 625 ft. is underway. No. 1 shaft has been sunk to the 500-ft. level. In addition, diamond drilling, to explore for new ore, and to guide development of new levels is under way.

H. Whittingham, secretary, in issuing the report to shareholders, states that it is expected mine and mill expansion can be paid for by arranging for advances not exceeding $50,000 over and above proceeds from current operations.

Operating results for the quarter were as follows:

Operating Account
Quarter Ended Sept. 30, 1935

	$
Gross metal production	116,039
Less: Marketing charges	1,459
Net metal production	114,580
Less: Mine development	9,356
Stoping	20,270
Milling	17,938
Mine office and super.	5,199
General exps. at property	5,179
Admin. & gen. exp., Toronto office	6,626
Operating profit	50,012
Add: Non-oper. revenue	373
Profit for period	*50,385
*Before taxes, depreciation and deferred development.	
Earned per Share	$0.013
Tons of Ore Milled	14,816

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Inco's President Sees Nickel Idea For Use In Coins

A brief for the increased use of nickel in coinage is made by Robert C. Stanley, president of International Nickel Co. of Canada, in a letter accompanying the quarterly statement, mailed to shareholders recently.

Mr. Stanley points out that in 1881, ten years before the development of nickel steel, Switzerland established the first pure nickel coinage. Despite the fact that coinage was one of the first applications of nickel, currently, this use absorbs only two and a half per cent of the world's output.

Color, cleanliness, and hardness are the characteristics which make nickel ideal for coinage, Mr. Stanley states.

"Inasmuch as in recent years the metal has developed into an important alloying element," he states, "it is obvious that nickel coinage can be used as a reserve in case of a curtailed supply arising from wars, embargoes, foreign exchange crisis, or other obstacles in the normal course of international trade. A study of the list of countries utilizing nickel, shows, however, that this reason is not the controlling one for the adoption of nickel coinage. Coinage cannot be considered as a reserve in a country without manufacturing facilities for converting the metal into other uses. Because of this fact, intrinsic suitability for coinage must be the reason why many governments have adopted nickel for subsidiary currency."

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MINING PAYS OUT OVER $76 MILLIONS FOR 1934 SUPPLIES

Huge Total Does Not Include Exploratory Syndicates

In direct purchases, the Canadian mining industry spent over $76 millions during 1934.

This estimate, compiled by the Dominion Bureau of Statistics, in collaboration with the Ontario Mining and Canadian Metal Mining Association, does not take into account the large expenditures made by prospectors and syndicates whose work was of an exploratory nature. Nor does it entirely reflect the importance of the communities dependent entirely or almost entirely on the mining industry.

An analysis of the Buerau's figures shows that some 80 per cent of this tremendous sum was spent by the metal mining and non-ferrous smelting and refining sections of the industry, which, it is estimated, spent over $60.9 millions. Of this amount, 39.4 per cent was spent by the gold mining industry alone.

Copper-gold-silver mines paid out, in direct expenses, a total of $9,777,000 during the year. Nickel-copper mining smelting and refining groups spent $16,170,000; silver-lead-zinc mines, $10,425,000, and cobalt-silver mines, $594,000.

Ontario Leads

By provinces, Ontario, which is Canada's premier mineral province, leads the list, the mines of this province paying out over $35 millions, or 46.1 per cent of the total. British Columbia ranks next, with 23.1 per cent, which includes the Yukon. Quebec was third, with Novia Scotia, Manitoba, Alberta, and New Brunswick contributing in order of importance. Due to the fact that the major part of the great Flin Flon operations of Hudson Bay Mining & Smelting Co. are carried out on the Manitoba side of the border, Saskatchewan's outlay is ranked with that province.

Leading the list of commodities bought by the mines is, of course, power, for which Canadian mines paid a total of $9,139,000 during 1934. However, the mining industry paid the sum of $11,787,000 direct to the railroads for outgoing and incoming freight.

Detailed tables accompany the report of the Dominion Bureau, and divide the industry up into its various sections. The amount expended for each item, from $58,400 for hospital equipment, to $182,184 for horses and horse upkeep, is listed.

HOPE TO SUPPLY MID-WEST CITIES WITH GAS SOURCE

Companies in Blackfoot Field to Combine Efforts

From Our Own Correspondent

REGINA.—With the ultimate object of providing natural gas for Regina and Moose Jaw, the search for oil or gas, or both, in the southern section of Saskatchewan is being prosecuted vigorously.

While in the past work has been of a spasmodic nature and more or less haphazard as to location with half a dozen companies each with independent acreage leases, that situation has been entirely changed.

The original work of W. B. Fry, who outlined the Blackfoot structure in 1930, has been checked and re-checked by outstanding oil geologists and it is on the complete findings and recommendations of these men that the work now in progress has been based.

Companies Merge

The various exploration companies have been merged into one operating company and the leases, or a large proportion of them, have been turned over to this company, known as the Blackfoot Development Co. Ltd. operating under a Saskatchewan charter.

The findings of Mr. Fry have been carefully checked by Dr. Clinton E. Stauffer, University of Minnesota; by Ben F. Hake, oil geologist with many years of field experience in the Turner Valley field and elsewhere, by Joseph S. Irwin, consulting geologist of Calgary and by Dr. D. F. MacDonald, assistant professor of geology in the University of St. Francis Xavier, Antigonish. Dr. MacDonald is also consulting engineer for Amalgamated Oils and for Petroleum Engineering Co. of Winnipeg, under whose direction the drilling operations in the Blackfoot field are being undertaken.

No Franchises Yet

The first test well is standing uncompleted at a depth of 1,750 ft. It is in excellent condition and can be deepened by rotary drill if necessary.

Geologists Agree

The geologists all agree as to the existence of a structure of considerable size and as to a definite closure. The recommendations jointly made are that a new test well should be sunk to test all the formations down to and including the upper portion of the Paleozoic strata which means a hole of approximately 3,600 ft. in depth. The site has been agreed upon. Buildings have been erected for the crew and machinery and equipment is being assembled with the object of getting drilling underway by the end of the year.

Located comparatively only a short distance from Regina and Moose Jaw, if a gas well of sufficient size, or a number of wells could be brought in, the matter of a market apparently presents no problems.

Many efforts have been made in the past to have Regina give a franchise for a supply of gas but the Regina Council has always been a bit cagey and has wanted to be shown where the supply was coming from, with the result that there are no strings on the proposition as yet and a natural gas supply from a near-by field would have little difficulty in proving itself the important factor in the granting of a franchise.

Another Coming Producer

At Shawkey Gold Mining Co.'s property in the south Siscoe district of Quebec, development has resulted in blocking out a substantial tonnage of ore. Mill plans call for production at an initial capacity of 125 tons a day, by February, 1936. Ore actually blocked out has been estimated at 75,000 tons, with an average grade of about $13 per ton. Development at this property, an aerial view of which is shown above.

Predict Shawkey's Mill In South Siscoe District To be Ready in February

75,000 Tons of Ore Blocked Out — Grade Over $13

COLORFUL PAST

Property Passes Through Many Hands Before Production Stage

Before the spring of 1936 it is expected Quebec will have another gold producer in full swing. Pouring the cement foundations at Shawkey Gold Mining Co. has been completed, and everything is ready for the erection of steel. All machinery and supplies will have arrived by the end of the freeze-up and the crew of more than 100 men should have the mine and mill in shape to start production in February.

Colorful History

The original 225 acres on the southwest shore of Lac de Montigny, in Dubuisson township, Quebec, were staked about 1911 by the prospector LaPalme, whose name appears in LaPalme Porcupine Mine which has lately been absorbed to form part of Noranda's Pamour Porcupine. In 1913, the property was acquired by the Martin brothers, and for many years was known as the Martin Mine. A shaft was sunk to a depth of 125 ft., and a ten-stamp mill was brought in. The mill never came into production, and the Martins lost the property in 1920 because of lack of funds. Interest in mine development at this time was at a low ebb because of the influenza epidemic.

Operations in 1918

It was at about this period in the mine's history that the name of Father Theriault, parish priest of Timmins, appears. He records that eight or nine tons of ore were taken from the mine in January, 1918, and put through the stamps. The resulting amalgam was taken to Laval by Father Theriault, where it was refined by a friend of his who was a professor of chemistry.

The property was bought in at a sheriff's auction by John Dalton, of Timmins, who optioned it in the early summer of 1922 to James Godfrey, president of the Mother Lode Mine of Alaska. Development during the next fall and winter included about 5,000 ft. of diamond drilling, shaft sinking to 300 ft., and 750 ft. of drifting and crosscutting. This work was evidently carried on in an indifferent manner and the option was allowed to lapse.

The property then passed through several hands until it was taken over by Robert Shawkey, manager of the Newark Bears baseball club and a former star pitcher, and later manager of the New York Yankees. Mr. Shawkey joined forces with Joseph McDonough, pioneer of many a mining camp, and it is under these men and their associates that this veteran mine appears at last to be reaching the production stage, after only one year of underground work.

Mill 125 Tons

Adjoining claims have been added to the original staking, until the consolidated property now consists of 598.6 acres. New bunkhouses, an electric shop and addition to the power plant are under construction. The mining plant is powered by three Diesel engines totalling 830 horsepower. The mill will have a daily capacity of 125 tons and will use the amalgamation and cyanidation processes.

Development To Date

At the present stage of operations, development work has been confined almost entirely to two veins although seven veins have been disclosed on the property to date.

The shaft has been sunk on the main or No. 1 vein to a depth of 600 ft., with levels established at 100, 200, 325, 450 and 575 ft. Approximately 3,500 ft. of drifting and crosscutting has been completed on the first three levels, of which about 1,500 ft. was in positive ore and 500 ft. in probable ore.

The No. 1 vein, running in a northwest-southeast direction, has been stripped for about 700 ft., showing average width of about five ft. This work has since been suspended because of the heavy overburden. On the third level this vein has been drifted on for 865 ft., of which 665 ft. has been in the drift southeast from the shaft. The last 140 ft. has been in a good grade of ore with frequent occurrences of free gold. After eliminating all visible free gold this section returned values of approximately $15 a ton across a width of about 4½ ft., with the vein widening as the drift is advanced.

The best ore on the fourth level has been found in the drift southeast from the shaft, which is a repetition of the experience on the other horizons. Four horizontal holes have been drilled from the fifth station, all of which cut the vein about 55 ft. from the shaft. One hole is said to have indicated a true width of over 30 ft. averaging $9.50 a ton over the full core length of 38 ft. and $12.50 across 25 ft. Another hole averaged $4.50 a ton over 20 ft. The others gave lower values.

Work on "Point" Vein

The No. 2 or "point" vein is about 2,300 ft. north of No. 1 and almost parallel to it, although running more directly east and west. This vein has been uncovered on surface for 140 ft. averaging 5½ to 6 ft. in width, and drilling to a depth of 200 ft. has been done for an additional length of about 400 ft. Results are not yet known from a four-ton bulk sample which was sent to Ottawa for assay, but the sample is reported to have shown an average value of $13.52 a ton at the mine. Officials hope that further work on this vein will result in substantial additional additions to ore reserves.

No. 3 and No. 4 veins lie south of the shaft and roughly parallel to No. 1 vein. A limited amount of trenching has been done on these veins, but practically no work has been attempted on the other three veins.

Block Two Years' Supply

According to the mine manager, Vincent M. Ryan, M.E., 75,000 tons of ore, or roughly two years' supply, have already been blocked out, of which 60,000 tons are expected to average slightly over $13 a ton. Ore values are expected to exceed this estimate, as it did not take into consideration the presence of free gold, which has occurred at frequent intervals in the present workings. A 740-pound bulk sample taken from the second and third levels over a length of 175 ft. showed average value of $18.90 when assayed at Ottawa, while another bulk sample sent to Denver ran $19.60 a ton. Because of the nature of the ore, true values will not really be known until milling results are available, if the experience of other Quebec mines is any criterion.

Mining and milling costs are expected to run around $6 a ton when the mill has been fully run in. This would indicate operating profits of about $7 a ton. It is impossible to make even a rough estimate of probable net profits at this time.

3.5 Million of $1 Par Value

Authorized capital is 3.5 million shares of $1 par value, of which approximately 3,070,505 shares are outstanding. The 1.5 million vendor shares will remain pooled under the direction of the Ontario Securities Commision for an indefinite period.

Officials report that they have about $100,000 on hand, with no debts other than ordinary expenses. They anticipate no delay in commencing production on schedule, and have provided for the construction of the mill in such a way that daily capacity can be increased to 250 tons by an additional outlay of only $20,000.

Mining Concerns Newly Formed

Adelaide Gold Mines—Ont. Incorp. Sept. 27, H.O. Toronto. Author. capit. $3 million, par $1.

Big Seven Gold Mines—H.O. Windsor, Ont. Author. capit., $40,000, par $1.

Darkwater Mines—H. O., Toronto. Ont. charter Oct. 22. Author. capit. $1,500,000 par.

Edmonton Athabaska Gold Mines—Incorp. 2nd Oct. H.O. Edmonton. Author. capit., $1.5 million.

Florence River (Quebec) Gold Mines—H.O. Toronto. Author. capit. $3 million. Par $1.

Porcupine Reef Gold Mines—H.O. Toronto. Ont. charter, 4th Oct. Author. capit. $3,000,000 par.

Rex Gold Mines—Incorp. 5th Oct. H.O. Edmonton. Author. capit. $20,000, par $1.

Tombill Gold Mines—Ont. charter Oct. 7. H.O. Village of Empire, Thunder Bay. Author. capit. $1,000,000 par.

In Liquidation

Belellen Lorrain Mines—A notice appeared in the Ontario Gazette of Nov. 2 that a resolution had been passed at a shareholders' meeting on Sept. 25 that the Belellen Lorrain Mines, Limited, be put into voluntary liquidation. Harold George Peppiatt was appointed liquidator.

Charter Surrendered

Algoma Nickel Mining Co.—A notice appeared in the Ontario Gazette of Oct. 26 that the charter of this company had been surrendered and that Nov. 11 has been fixed as the date upon which the corporation should be dissolved.

Asbestos Production Up

Asbestos production in Canada during August rose to 23,119 tons from the July total of 15,398 tons and the August, 1934, output of 15,530 tons. Shipments during the eight months ended August totalled 121,263 tons as compared with 93,494 tons in the corresponding months of 1934.

BUFFALO ANKERITE RECORDS NEW HIGH FOR OCTOBER GOLD

Costs Also Show Improvement During Month

Output of Buffalo Ankerite Gold Mines, South Porcupine producer, reached a record mark in October when recovery was valued at about $102,200. Tonnage treated was 15,518 tons which works out to about $6.58 per ton.

During the month, the sinking of the main shaft reached a depth of 875 ft. The previous depth of this shaft was about 650 ft.

Not content with record production value, Buffalo Ankerite also established a new low figure for costs which were whittled down to about $4 per ton during the month.

OPEMISKA COPPER OFFERING RIGHTS TO RESUME WORK

Ventures Subsidiary Seeks Funds for Winter Road

To provide funds for building a winter road into its property and taking in a mining plant during the winter for underground work next year, Opemiska Copper Mines Ventures subsidiary is offering part of the unissued share capital of the company.

Shareholders are offered one share for each 12 held at the close of business Nov. 23, 1935, at 75 cents per share payable as follows: 25 cents per share with subscription, on or before Dec. 7, 1935; 25 cents a share on or before Jan. 7, 1936, and 25 cents per share on or before Feb. 7, 1936.

Advance Installments

Installments may be paid in advance but no discount will be allowed on such advance payments. Default in payment of any installments renders the subscription liable to forfeiture.

The shares offered for subscription have been underwritten by Ventures, Ltd. and Prospectors Airways Co., the two largest shareholders of Opemiska.

Opemiska Copper Mines has been drilling for the last few months. The company has an authorized capitalization of 3 million shares, no par value. As at Dec. 31, 1934, there were 2,225,860 shares issued, or to be issued.

Inactive Since 1930

Prior to the limited amount of drilling done this season, the property had been inactive since 1930. Previous drilling disclosed a series of high grade lenses of copper ore, but due to the prevailing prices of copper, and the difficulties of transportation, officials felt that it could not be worked profitably. With the construction of a winter road, and with copper prices materially higher, officials are apparently preparing for resumed activities.

Mining Enquiries

Highwood Sarcee Oils

I would appreciate a report on Highwood Sarcee Oils Ltd. covering the following points: What producers has the company got? What is the outlook at present? What kind of men are behind it?

Highwood-Sarcee Oils recently declared an initial dividend of three cents per share, payable to shareholders of record Oct. 28, 1935. Date of payment, however, has not as yet been decided upon, due to political conditions in Alberta. As at June 30, 1935, the company showed current assets totalling $77,525 as against current liabilities of $3,949.

Briefly, the affairs of this company have improved during the past year, due largely to the success of Highwood-Sarcee well No. 1, which, while not directly owned by Highwood-Sarcee Oils is at present the only producer in which the company is interested. Highwood-Sarcee Oils interest in this well is due to the fact that the company advanced $60,000 for a drilling campaign, in return for which it obtained a 65 per cent interest. A second well is now under way. Back of this company, which is headed by A. W. Dingman, is an experienced board of directors.

We consider, however, that it would be erroneous to consider this stock as other than a speculation, as oil stocks are among the most hazardous forms of investment.

Yukon Border Placer

Would you please advise the present situation with regard to Yukon Border Placer Gold Mines and if there is any bid on the stock?

Yukon Border Placer Gold is still active on its property in the Omineca mining division of British Columbia. This company was originally formed in March, 1934 to develop placer deposits on the Upper Liard River area. When these groups failed to stand up under development, all equipment was shipped to the Omineca placer field. Work on this property has been continuing all season, although the company has not revealed results.

Yukon Border Placer has always been, and still is, an out-and-out speculation. Unlike other speculations, however, this company is backed by experienced men, headed by John Hammell. Shareholders are fairly well assured of a square deal from this direction, and this particular company has never been presented to the public as anything other than a gamble. It still remains such.

At the time of writing, we can find no market for this stock on the Toronto street. This, of course, is because of the undetermined status of the company's property.

Kenty Gold

I suppose that the Kenty Gold stock is another one of those certificates that can be deposited in the waste paper basket. Let me know if I am correct in this.

Kenty Gold Mines is far from being the "write-off" suggested by you in your letter. The company was formed originally to finance the Kenty group of 16 gold claims in the Swayze area, Ontario. Results here were unfavorable and work was suspended July, 1934. In May of this year, Kenty joined forces with Northern Canada Mining Corp. and Coniagas Mines to finance Argosy Gold Mines, a company which is developing the properties formerly held by Casey Summit Gold Mines in Northwestern Ontario. In The Financial Post of November 9, you will notice an article on Argosy development, indicating that important ore bodies are being opened up, so much so that some thought is being given to mill construction some time next year.

In its board of directors, Kenty Gold Mines is particularly fortunate. F. L. Trethewey, president, and Dr. J. B. Tyrrell, vice-president, are men well known in mining circles, and men who have a considerable stake in the mining industry. Dr. Tyrrell, in addition to being a geologist of nation-wide repute, is president of Kirkland Lake Gold Mining Co.

Robb Montbray

What do you think of the chances of Robb-Montbray? I have already lost enough, and do not wish to lose any more, so am asking your advice.

Robb-Montbray Mines recently jumped into prominence due to the potentially important strike, staked in the company's name, in Hebecourt township near the Ontario border in Quebec. This strike is attracting considerable attention at the present time, and although it is too early yet to predict what the area has in the way of gold possibilities, all reports from the district reaching this office indicate that it is an important find. The company also has some property in the Sturgeon Lake area of Northwestern Ontario.

While Robb-Montbray is still a prospect some well-known and experienced mining men are on the board of directors, which is headed by Robert A. Bryce, outstanding mining engineer. We understand from reliable sources that the treasury of the company is sufficiently large to take care of any early development work on either of its properties.

Baden Syndicate

I would appreciate word on Baden Syndicate units. What will be the ultimate worth of these?

Baden Syndicate was taken over by Baden Gold Mines, a company which is capitalized at two million shares, par value $1. No exchange has as yet been made in this connection. Eventually, however, we are informed by Bert Coghill, president, each Baden Syndicate unit will be exchangeable for 500 shares in Baden Gold Mines. After this exchange takes place, there will be one million shares left in the treasury. Of the million shares given for Baden units, 750,000 will be pooled, as vendor stock. No decision has been made as to when this exchange will take place, as the company does not wish to have its stock on the market until it is financed.

At the present time no work has been done on the property, although negotiations for financing are said to be under way. Already some $10,000 has been spent on surface work and diamond drilling, all of which, Mr. Coghill states, indicates that the veins carry commercial value. The property itself is in Baden township near Elk Lake. The address of the company is c/o Bert Coghill, Elk Lake, Ontario.

Wendigo's Developed Ore Now Valued at $700,000

The management of Wendigo Gold Mines has estimated that developed ore to date has an approximate value of $700,000, on an expenditure of $150,000, H. Tudor, president, informs The Post. This expenditure includes costs of the mining plant. The ore averages $14.24 in gold per ton at current prices. One ore shoot on the 200-ft. level assayed over $21 per ton, and on the 500-ft. level where the vein is widest there is an ore shoot 424 ft. in length.

The mill construction is proceeding satisfactorily, and provision has been made for increasing the capacity when required. The Diesel engine now being installed is designed to handle a 100-ton mill. The mill now under construction will have an initial capacity of 50 to 60 tons daily.

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An Impartial Analysis of Listed Stocks from A to Z

This is the eighth in a series of articles attempting to examine, at close range, the various stocks, listed day by day, on the mining sections of various Canadian exchanges.

These little close-ups do not pretend to be exhaustive analyses of the companies dealt with. They are aimed, however, at giving Post readers a rapid fire inventory of the market today. Each stock will be dealt with in alphabetical order at the rate of three or four a week as space permits.

Brett Trethewey Mines

There is little public interest in the stock of Brett Trethewey Mines, for the simple reason that it is closely held, by a group associated with Northern Canada Mining Corp. The company is an exploration and development concern, the success of which depends largely on the activities of Kenty Gold Mines, in which Brett Trethewey holds 440,000 shares.

Kenty Gold Mines was incorporated in September, 1932, to hold title to a property in Swayze area of Ontario. Brett Trethewey, Northern Canada Mining Corp., Northland Prospectors Ltd. and Kent Bros. are joint sponsors of Kenty. After some work, development at the Swayze property was suspended, and one must examine still another company, to get the correct importance of Brett Trethewey.

This company is Argosy Gold Mines, formed this year, to take over the assets of Casey Summit Gold Mines. Details of the development in this area were outlined in a recent issue of The Post. To summarize, briefly, Argosy is developing what appears to be an important quantity of fairly high grade ore, and with the experienced management behind it, may attain an importance never approached under the former backers of the property.

But Brett Trethewey's interest in this development is indirect, the set up being as follows:

Brett Trethewey owns 440,000 shares of the 2 million outstanding shares of Kenty Gold Mines.

Kenty Gold Mines, in turn, owns an unstated interest understood to be roughly about a 33 1/3 per cent, in the new Argosy Gold Mines. Finances for the development of Argosy are being advanced jointly, to the extent of about $160,000 by Kenty, Northern Canada Mining Corp., and Coniagas Mines. No public issue of stock in Argosy has been made but Casey Summit, as vendor, received 1,150,000 of the 3 million authorized capitalization of Argosy.

As to management, Brett Trethewey's directorate is about as sound as one could ask. F. L. Trethewey is president, Dr. J. B. Tyrrell, of Kirkland Lake Gold fame, is vice-president, and E. T. Corkhill, R. G. O. Thomson, Gideon Grant, G. W. Adams, and S. W. Black are directors.

Price Range of Stock

1935	High	Low	Last
Common	.03	.01⅛	.01½

Bridge River Consolidated

Since the agreement which this company had with Consolidated Mining & Smelting Co. was cancelled, last June, the outlook for the company has been obscure, and its future very uncertain.

Under the agreement with Smelters, this property, on Cadwallader Creek, Lillooet Mining division, B.C. was to have been brought to production, Smelters being given an option on 52 per cent of the company's stock. With little warning, Smelters withdrew its crew early this year, and the contract was cancelled. Smelters was given 534,000 shares for its work.

No announcement was forthcoming from Smelters as to the reason for the withdrawal, but it was known that up to Dec. 31, 1934, no commercial ore had been encountered.

Since Smelters withdrew, the property has been idle, although negotiations are said to be under way for additional finances. In July of this year shareholders voted to increase the authorized capitalization from 3 million shares, $1 par value, to 4 million shares.

The fact that several groups, besides Smelters have worked at this property, and turned it down, does not brighten the already obscure outlook for this stock, which is listed in Vancouver.

Price Range of Stock

1935	High	Low	Last
Common	.06½	.03	.03½

B.R.X. Gold Mines

This British Columbia property is at present undergoing reorganization, with a view to obtaining badly needed funds. Under the plan approved by shareholders last October, a new company, B.R.X. Consolidated Gold Mines Ltd., will take over assets of the present company. French interests are understood to have agreed to purchase 100,000 shares at 20 cents net to the treasury, and will be given an option on the 2.4 million shares remaining in the treasury at the same price. The new company will have an authorized capitalization of 3,750,000 shares, par value 50 cents. Present shareholders will receive 1,250,000 shares of the new company, to be allotted on a basis of one new for two old.

For some time, B.R.X. has been supported by British capital, Sir Kenneth Crossley, Bart., being one of the directors. Recently the property was examined by Andre Fonville, French Mining Engineer, who interested the French capital.

Although B.R.X. is understood to have a working capital of about $31,000, it became apparent this summer that further funds would be necessary to bring the property to production. Several engineers, including the late Ira B. Joralemon, have examined the property and reported favorably on it. Drilling and underground work carried on this summer have supported the views of these men, to the effect that the property has all the earmarks of a nice speculation. A more definite classification than this is made difficult at the present time, owing to the change in the companies affairs referred to above.

Price Range of Stock

1935	High	Low	Last
Common	.24	.07	.08

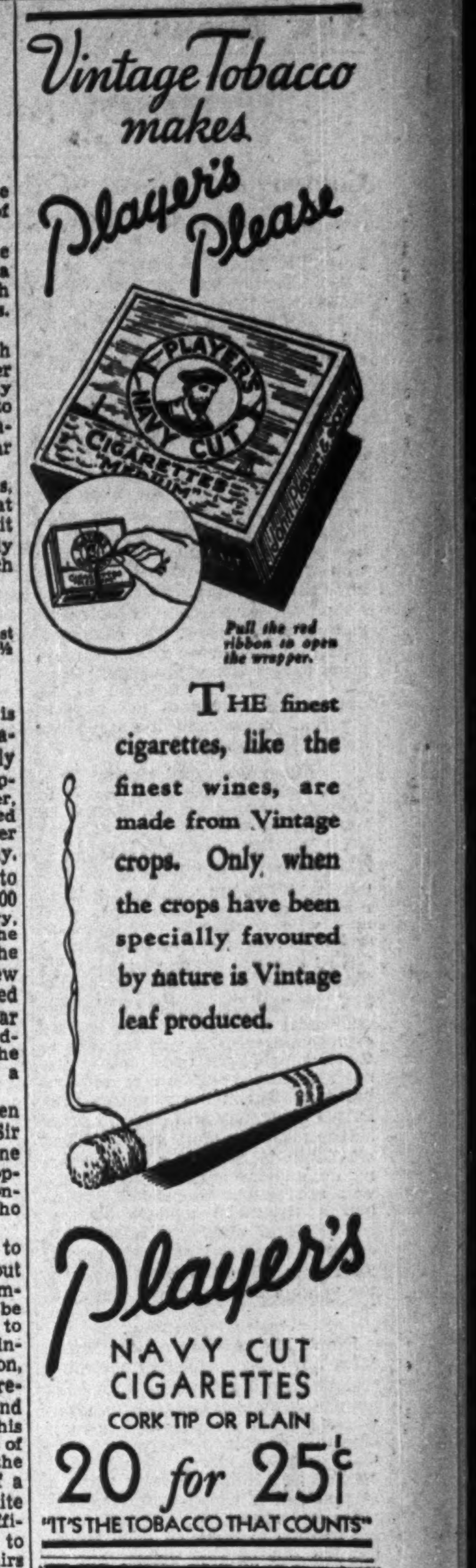
Fast Freeze-up

A small crew is working the Granville Lake Gold Mines property 118 miles north of Cold Lake in Manitoba, and will be there until well after freeze-up.

All flying has been held up for the past week. Freeze-up came in a hurry at the close of a mild spell. It will be another week before flying again becomes general. In the meantime little news is coming out from the mine fields.

Brass and Copper

In the brass and copper industry last year Ontario had 81 concerns operating, out of a Dominion total of 125. The combined capital was $12.7 millions (the Dominion total being $22.3 millions); some 2,392 persons were employed, on the average (3,932); at salaries and wages amounting to $2.5 millions ($4.1 millions); turning out products to a gross value at the factories of $10.9 millions ($19.3 millions).



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Munsey's Millions

Controversy About "Cold, Austere" Builder of Great Wealth Revived

FORTY YEARS, FORTY MILLIONS. By George Britt. Published by Farrar & Rinehart, University Avenue, Toronto. Price $3.

In many ways one of the great successes among American business men and, in many other ways, one of the great failures was Frank A. Munsey. To New York newspaper reporters he was always a sinister character, the "hatchetman" of journalism, the man who bought newspapers to destroy them, who tore down the traditions of personal journalism to substitute those of box office journalism. But those who were his intimate friends believe that the working journalists of New York were wrong in their estimate of Mr. Munsey. The final summation of the career of Mr. Munsey is yet to be written. Mr. Britt's readable volume will add fuel to the controversy, but does not provide the final answer to the questions that were raised.

Much Discussed Career

Mr. Britt did not have access to Munsey's private papers. Rather he has adopted the technique of relying upon the published records of Mr. Munsey's transactions in and out of journalism and upon a large number of private interviews with men who worked for Munsey. If, and when, an unbiased independent writer is given access to all the intimate facts of the Munsey career and can read something of his psychological attitudes in his private correspondence, he will be able to throw much light upon one of the most discussed careers of modern business. But in the meantime, Mr. Britt's biography will have to stand as the most complete available and we doubt if there is a newspaperman anywhere on the continent who will not hasten to read it. If he has a prejudice against Munsey he will find plenty of material to confirm him in that prejudice; if he regards Munsey as a mystery, the volume will not dispel that mystery.

Maine Farm Boy

Frank Munsey was a poor Maine farm boy who decided to become a wealthy man and who succeeded beyond his most fantastic expectations. His early career was not unlike that of any farm boy to financial magnate story. He fought against great difficulties to make a fortune out of cheap popular magazines and succeeded. Then he used his fortune to build an even larger fortune out of real estate, out of stocks, out of a chain of grocery stores and finally out of dealing in daily newspapers.

Mr. Britt is unable to answer the key question of all. What, on balance, was the contribution of Frank Munsey to daily newspaper journalism? He bought paper after paper, wrecking some of them, building up others. Whether he increased or diminished his fortune in the process is not told. Munsey broke many men but he made others. He, at all times, appeared outwardly to be cold-blooded and ruthless in business although there are hundreds of records of acts of individual generosity on his part. He was at once petty in administrative details and large in vision.

Aided New York Journalism

When he was finally through with his newspaper mergers there were fewer newspapers in New York than when he started. Today New York journalism as a business proposition is the stronger financially because of Munsey having passed across the scene with his financial hatchet. He found New York journalism at the end of one era and quickly started it on another. Many of the papers he killed were doomed to early extinction in any event. Reporters lost their jobs; but they held them less securely than they thought. How then is one to measure the net result of his activities?

There are many facts—and sometimes the essential facts—about the Munsey newspaper transactions that are not told by Mr. Britt, either because he did not dig deeply enough for them or because he could not confirm them, lacking Munsey's private papers. For example, the author makes it appear that the executors of the Bennett estate put one over on Munsey when they sold him the New York Herald at $4,000,000 plus. He makes no reference to the fact that what Munsey wanted more than anything else was the Herald's very favorable newsprint contract; that the Herald was worth much more than $4,000,000 to him.

Mr. Britt tells of Munsey's purchase of Louis Sherry's beautiful estate at Manhasset, L.I., but he missed one good story in connection with that estate. Munsey had bought it and he took it at Sherry's price without looking at the property. After he moved in he appraised its value, then sent Sherry a cheque for $50,000 more, telling him he had undervalued it.

Mr. Britt apparently was not aware of many intimate revelations about Munsey's career that have been put in print by such friends as Col. J. B. Maclean and E. J. Ridgway.

Mr. Britt presents a picture of a cold, austere man with few friends and almost no admirers. He says, "From a distance I can sympathize with him—lonesome and frost bitten, a killer who wanted to be a creator, surely as ironic a hero as ever stalked through a success story." But this was not the Munsey his intimates knew although they will admit the loneliness of his career.

This story of the life of Frank Munsey may not be one of the great biographies but it is certainly one of the most interesting of recent years. It is frankly written in the style of daily newspaper journalism. One must admire the author's industry in digging deeply for so much material of the career of a man whose private papers still remain private and unpublished.

The volume is no success story in the traditional Alger style. But neither is it to be regarded as a debunking book, for Mr. Britt has apparently tried to read the thoughts of this amazing man and he says: "There was a line of quality in the self-conscious mastery of his bearing, and the surface built up as of his own native Maine granite."

"AN ECONOMIC HISTORY OF CANADA"—By Mary Quayle Innis. Published by the Ryerson Press, Toronto. Price $3.

There have not been many economic histories of Canada, and none at all that has told a complete story. Various writers have included economic studies in their larger records of our political and social development and there have been many very useful original studies in individual fields. Mrs. Innis, in this volume, has really given us our first compact and yet authoritative economic history of the Dominion. It is likely to be adopted immediately as required reading among economic students at our universities. But even for more casual readers the record is of very great value.

Much of the material upon which the volume is based has already appeared notably in "Select Documents in Canadian Economic History," published in two volumes by Professor H. A. Innis of the University of Toronto, whose wife is the author of this new volume. Professor Innis's records end with 1885 and much of the material that he gathered for the years after that has been utilized for the first time in his wife's volume. Thus, an interesting partnership has made Mrs. Innis's volume possible. Her husband has industriously gathered together the material and she has written the continuous narrative.

Emphasis is placed upon three phases of Canada's economic developments; the importance of the Great Lakes-St. Lawrence water route, the importance later of railways in our development and finally the significance of staple production in Canada's economy.

There are no illustrations. The volume cannot be said to emphasize what is romantic to the exclusion of what is important and factual. It is a studious work, one likely to gain genuine importance as a reference book.

The story ends with 1914. Canada's economic history in the past 21 years is not yet a matter for the historical student, being yet in the realm of contemporary controversy.

MARKETING AGREEMENTS UNDER THE A. A. A.—By Edwin G. Nourse, published by the Brookings Institution, Washington, D.C. Price $2.50.

With the Agricultural Adjustment Act of Washington again playing a big part in American political life, a summary of this much-discussed piece of legislation is of timely interest. United States farmers recently voted overwhelmingly in favor of the act, which in some cases actually bonuses them for not farming. Among the rest of the population of that country, however, there is a very wide divergence of opinion, with probably the majority strongly against the A. A. A. The flood of bonus cheques which the legislation entails will undoubtedly play a large part in the presidential election next year.

In this book, Mr. Nourse shows the origin of the marketing agreements and licensing sections of the act, and traces the gradual evolution of the specific marketing adjustment undertakings. The book presents a detailed analysis of administrative problems on the difficulties of enforcement, including analysis of decisions of the courts in the A. A. A. cases. The effects of agreements on market prices——are examined. The programme is discussed from both the emergency results and the long-time possibilities.

Manitoba Paints, Varnishes

Four concerns in Manitoba operated under the paints, pigments and varnishes industries last year, employing 195 hands at $196,957 in salaries and wages, producing a gross value at the factories amounting to $966,275.

STEEL STRUCTURES
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HIGHWAY BRIDGES
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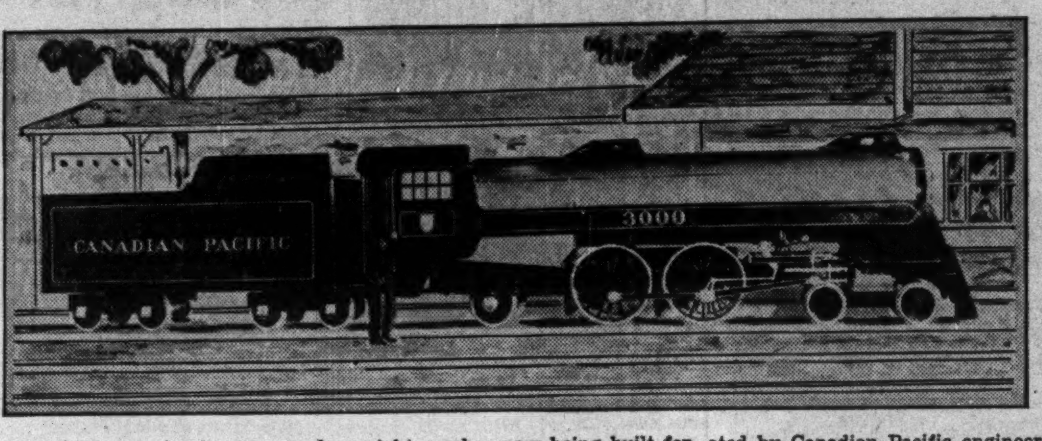
AGENCIES: EDMONTON REGINA

Will Soon Be Seen in Canada



This photograph shows a scale model of the new "3000" Canadian Pacific Railway light-weight locomotive, five of which are being built to attain a speed of 110 miles an hour. They will be put into service on the Montreal-Quebec run and will haul at high speeds, trains of new light-weight coaches now being built for the service. Stream-lining and an increased ratio of power to weight and fuel consumption are the outstanding characteristics of the new locomotives. While many of the ideas incorporated in these engines are quite new, having been originated by Canadian Pacific engineers under the supervision of H. B. Bowen, Chief of Motive Power and Rolling Stock, the company's engineers have adapted and developed the best features brought out along these lines by the leading railways of other countries.

Municipal Finances

Calgary's October tax collections amounted to $201,214 compared with $215,003 for the same period last year. Although there was a decrease of $14,000, the collections for the first two days of September amounted to $46,000, which was up over the same period last year.

* * *

Verdun, Que., will finish the year with a surplus, Mayor H. Ferland states. He also says that cuts in civic employees' salaries will be restored. The city has not obtained a single loan from the banks during the year.

* * *

Sarnia's bank indebtedness on the general expenditures account at Sept. 30 this year was $59,693 less than a year ago. The indebtedness this year was $91,303 compared with $150,997 last year at this time.

* * *

Ottawa city council will submit a plebiscite to the ratepayers to determine if funds for relief purposes are to be funded or not.

* * *

Toronto's gross expenditure for direct unemployment relief for the first nine months of 1935 amounted to $7.5 millions as compared with $6.3 millions last year for the same period. The net cost to Toronto for the period was $2.6 millions as compared with a net of $2.2 millions for the nine months last year.

* * *

Pelee Island, Ont. tax rate for this year was reduced six mills because of contributions from pheasant hunters who gunned in the region. They paid $3 per head for permits to shoot and the municipality received between $2,500 and $3,000 from them. The Island's assessment is $500,000 and the tax rate 65 mills.

* * *

New Toronto's collections of current taxes are to be applied on arrears of county levy during the balance of the year. All arrears collected so far have been applied on an outstanding account of $85,000 borrowed last year, which have reduced the account to about $42,000.

* * *

Port Arthur's collection of current taxes dropped $40,116 for the first ten months of 1935, compared with the same period last year although collections on arrears increased by $41,376 as at Oct. 31 this year over last.

The collections were as follows:

Tax Collections Ten Months

	1935	1934	
	$	$	$
Current	852,932	893,048	—40,116
Arrears	149,277	107,901	+41,376
Totals	1,002,209	1,000,949	

* * *

Regina's street railway revenue increased over $2,000 during October this year compared with the same month last year. Figures reveal that $18,822 was received this year compared with $16,040 last year in the month.

* * *

London's current tax collections for the first ten months of the year were $4,800 below those of last year for the same period. Collections in 1935 were $2,880,945 as compared with $2,885,708 in 1934. Officials state that the tax roll is increased by $240,000 this year over last.

* * *

Chicoutimi, Que., school commission has been authorized by the Quebec Municipal Commission to pay interest on coupons dated Nov. 1, 1935 and from the period May 1 to Nov. 1, 1935, on bonds matured Nov. 1, 1934 and May 1, 1935.

* * *

St. Joseph-Benoit-Joseph-Labre, Que., bondholders are instructed that provision has been made for payment of coupons due Nov. 1, 1935.

* * *

Chandler Village, Que., creditors are informed of provision for payment of the bond coupons dated Nov. 1, 1935.

* * *

Cap-de-la-Madeleine, Que., has been authorized by the Quebec Municipal Commission to provide for payment of interest coupons dated Nov. 1, 1935.

* * *

Calgary's public utilities finished the nine months period this year with a joint deficit of $27,000. The major part of the loss was caused by operation of the street railway whose deficit for the period this year was $56,458 as compared with $27,791 for the nine months last year.

* * *

Representatives of **Alberta cities** and the provincial government are to meet at Edmonton for a discussion of recommendations which may arise out of the findings of the Alberta tax enquiry board. Calgary and Edmonton have passed resolutions urging the removal of the unjust and inequitable tax burden on real property, particularly in urban centres.

* * *

Moncton, N.B., revenue to date for 1935 shows an increase of $93,908 over the same period last year. The following statement shows the collections:

Revenue and Expenditures to Date

Revenue:	1935	1934	Increase
	$	$	$
Taxes	658,052	561,120	+96,932
Other sources	107,265	110,289	—3,024
Totals	765,317	671,409	+93,908
Expenditures:,			
Totals	638,183	627,018	+11,164
Sept. Tax Collections			
Totals	31,459	25,591	+5,867

* * *

Fort Erie, Ont. tax department reveals that of a total of $241,000 of tax arrears, $101,405 has been collected and that $242,000 has been received for current taxes, the total assessment being $320,000.

* * *

Kitchener, Ont. poll tax collections for about ten months this year amount to $5,005, which is $820 in excess of the total collections for last year. The big increase is laid to the policy of permitting the instalment plan of paying the tax.

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Consider New Men Washington Post

From Our Own Correspondent

OTTAWA. — Pressure of public business has delayed the selection of a Canadian minister to the United States. Premier Mackenzie King has not yet made any recommendation to his cabinet, it is reported.

Several new men are being considered. As time passes, the possibility of Hon. Sir Herbert Marler being transferred from Tokio to Washington is fading out.

Hon. Newton Wesley Rowell is being mentioned very prominently although there are grave doubts if he would accept.

Another public man considered to have every qualification is Rt. Hon. George P. Graham, now a distinguished member of the Senate.

Ontario Automobiles Take Large 1934 Toll

With 1,219 accidents reported during August, resulting in 50 deaths, 1,312 injuries and property loss of $144,260, Ontario's motor vehicle accident total for 1935 has now reached 6,336. This is an increase of more than 12 per cent, or 697 accidents, over the same period a year ago.

Fatal accidents in the first eight months of this year totalled 260, or six less than in 1934, but the number of persons killed, 291, was slightly higher. Experience of the first four months of the year was very unfavorable in this respect, the number of fatalities being up by 48 over the corresponding period last year. In the second four months, however, fatalities dropped 46, or 21.8 per cent.

Non fatal injuries at 6,038, are 771 ahead of 1934, while property damage increased over 19 per cent to $656,252.

CANADA'S DEFICIT FIRST 7 MONTHS $21.2 MILLIONS

Expenditures $248.2 Millions But Do Not Include C.N.R. Deficit

The Dominion government's deficit for the first seven months of the present fiscal year is $21.2 million which does not include the deficit of the Canadian National Railways. Revenue for the period April 1 to Oct. 31, 1935, totalled $227 million and expenditures $248.2 million. The deficit for the seven-month period last year was $13.2 million.

This year's revenue was up $10.9 million over that of last year for the same period. Expenditures likewise showed an increase amounting to $19 million.

There was a noticeable increase in income tax collections, the figure last year for the period being $49.4 million as compared with $65.8 million this year. The amounts this year in ordinary and special expenditures were well up over those for the seven months last year, the former increasing by $8.5 million and the latter by $11.6 million. "Special" expenditures were swelled by the Public Works Construction Act outlays which this year were $16.4 million as compared with $2.7 million for the same period last year.

October's deficit was $20.1 million as compared with $16.6 million deficit for October last year. There was an increase in ordinary and a decrease in special expenditures in October compared with the 1934 month. Excise tax collections were up and income from the gold tax disappeared in October.

Dominion Revenue and Expenditure
Seven Months to Oct. 31

	1935	1934	Change
Revenue:	$000's	$000's	$000's
Customs duty	43,852	45,299	— 1,447
Excise duty	26,919	26,143	+ 776
Excise taxes	61,487	63,864	— 2,377
Income tax	65,842	49,405	+16,437
Gold tax	1,407	3,873	— 2,466
Post office	16,374	15,982	+ 392
Miscellaneous	10,917	11,273	— 356
Special	257	223	+ 34
Totals	227,055	216,062	+10,993
Expenditure:			
Ordinary	205,177	196,636	+ 8,541
Special	37,605	25,919	+11,686
Capital	5,506	6,729	— 1,223
Totals	248,288	229,284	+19,004
Month of October			
Revenue:			
Customs duty	7,111	6,198	+ 913
Excise duty	3,792	4,238	— 446
Excise taxes	10,464	10,112	+ 352
Income tax	2,107	2,158	— 51
Gold tax	....	574	— 574
Post office	2,100	2,100	...
Miscellaneous	2,336	1,856	+ 480
Special	35	11	+ 24
Totals	27,945	27,247	+ 698
Expenditures:			
Ordinary	39,352	34,687	+ 4,665
Special	7,681	8,120	— 439
Capital	1,065	1,083	— 18
Totals	48,098	43,890	+ 4,208

Considerable Decline Cold Storage Produce

Stocks of creamery butter in cold storage at the beginning of November were considerably down at Montreal, Toronto and Winnipeg, according to the Dominion Bureau of Statistics. Cheese was down somewhat, while there was a very sharp reduction in cold storage eggs.

The BACHELOR'S CORNER

Reunion in the Armouries

There was Doug and Freddie, and "Jiggers" McGraw, all chaps that I'd bunked with at one time or another, run around London on leave with, rushed the same girls and forgotten about them together — twenty years ago. And all here at the battalion reunion, meeting again for the first time.

I, and I guess the others, had looked forward to this, fancied a rousing get-together. But we were all strangely silent. We had each so much to recall, but we'd drifted apart so long you would have thought at first we were strangers.

Then I had an inspiration.

"Have a Bachelor," I said, and I passed them around.

As the pure fragrance of clear Havana filled the air, tongues were loosened by the common pleasure, and the talk became as lively as pop-corn on a flame.

At half past two we said goodnight.

"It's good to get back now and then," I said. "Yes," said Freddie, "and thanks for the Bachelors—

IT'S GOOD TO GET BACK TO A 10c. CIGAR!"

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